

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

Thursday September 20 1984

Why the dollar baffles the experts, Page 22

Austria	Sch. 18	Indonesia	Rp 2500	Paraguay	Esc 90
Belgium	Bfr 20	Italy	Lira 1200	S. Arabia	Ria 6.00
Canada	Cdn 1.00	Japan	Yen 150	Singapore	S\$ 4.10
Denmark	Dkr 2.46	South Korea	Won 100	Taiwan	Nt 36
France	Fr 6.55	Spain	Pes 166	Thailand	Bat 20
Germany	DM 2.36	Switzerland	Fr 2.00	USA	\$ 1.00
Greece	Dr 340	UK	£ 1.00		
Hong Kong	Hk\$ 7.80				
India	Rupee 15				

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NEWS SUMMARY

GENERAL

New move by Spain on entry to EEC

Spanish Prime Minister Felipe Gonzalez is to fly to Dublin today on a mission to speed up negotiations on Spain's entry to the EEC, of which he had previously held the chairmanship.

EEC ministers have missed the September deadline to reach agreement with Spain and Portugal on the terms of their accession, supposed to take place on January 1 1986.

If the accession date is still to be maintained, ministers must finish the negotiations by the end of this year to give all the individual national parliaments time to ratify the deal.

Argentine test

President Raul Alfonsín of Argentina will today face a severe political test when he is asked to endorse the publication of the most detailed report ever made on human rights violations in his country. Page 4

Salmonella confirmed

Nineteen of 27 deaths last month at a hospital in Wakefield, England, were linked to food poisoning through salmonella, a coroner's inquest was told.

Portugal strike ends

A five-day strike by Portugal's 5,000 steeplechasers that paralysed mainland ports ended after talks between management and unions.

Reagan 'landslide'

President Reagan will win reelection by a landslide, harring a foreign crisis or a big change in the political climate, Gallup polls showed. Page 4

Hyderabad clash

Two people died and eight were injured in fresh clashes in the city of Hyderabad in southern India.

Turkish leader freed

Abdullah Bastürk, the former leader of Turkey's left-wing Confederation of Revolutionary Trade Unions, was released from detention in Istanbul after spending more than four years in jail.

Labour reform urged

Italy must reform its highly restrictive labour regulations if it is to have any hope of meeting the rising demand for jobs, according to Gianni de Michelis, the country's Socialist Labour Minister. Page 2

F-16 crashes

A Belgian air force F-16 fighter crashed in a shooting range at Helchteren in eastern Belgium, killing its two occupants.

Navy backs missiles

The U.S. Navy disputed reports that thousands of Sparrow and Sidewinder air-to-air missiles were useless because of flaws. Missiles "useless," Page 4; Texas Instruments chips '90 per cent clear,' Page 24

Hitler trial confusion

The Hitler diaries trial was thrown into confusion when a magistrate fell asleep. The event might lead to a retrial.

Footballers back

Spain's top professional footballers ended a 15-day strike.

Atlantic feat

Brazilian adventurer Amir Klink arrived home after rowing 5,720 kilometres single-handed across the South Atlantic in 101 days.

BUSINESS

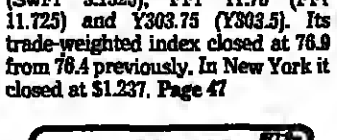
\$ mixed in quieter trading in Europe

DOLLAR paused for breath on European exchanges after hectic gains earlier in the week. Dealers reported strong underlying demand but said investors were holding back ahead of today's "basist" estimate of U.S. GNP growth to the third quarter.

Dollar rose in London to DM 3.0945 (DM 3.0915) and to a record FR 9.495 (FR 9.4925) but was weaker at SwFr 2.534 (SwFr 2.541) and Y245.8 (Y246.15). On Bank of England figures, its trade-weighted index eased to 142.4 from 142.7. In New York, the dollar closed at DM 3.0985, FR 9.5125, SwFr 2.538 and Y245.7. Page 47; Feature, Page 22

STERLING rose 40 points in London to \$1.237. It also improved to DM 3.83 (DM 3.8125), SwFr 3.135 (SwFr 3.1325), FR 11.75 (FR 11.725) and Y303.75 (Y303.5). Its trade-weighted index closed at 79.9 from 79.4 previously. In New York it closed at \$1.237. Page 47

FT Industrial Ordinary Index



WALL STREET: The Dow Jones Industrial Average closed 13.25 down at 1,213.01. Section III

LONDON equities and gilts made strong gains and the FT Industrial Ordinary index rose 13.8 to 871.8. Section III

TOKYO encountered some profit-taking with the Nikkei-Dow market average 6.55 down to 10,532.30. Section III

GOLD rose \$2.25 on the London bullion market to \$340.25. It also improved in Frankfurt to \$340.50 and in Zurich to \$340.25. In New York, the Comex September settlement was unchanged at \$340.90. Page 46

UK UNIT wage costs rose in July to an annual rate of 8 per cent, provoking government warnings of lack of competitiveness. Page 6

BET, British construction, transport and laundries group, is to acquire Anglian Windows, the UK's second largest installer of replacement windows, in a deal that values the privately held group at £33.5m (\$41m). Men and Matters, Page 22

CONTINENTAL ILLINOIS: U.S. Comptroller of the Currency C. Todd Compton defended his agency's role in supervising the Chicago bank and the rescue that proved necessary to avert its collapse. Page 25

TEKACO chairman John McKinley said he expected worldwide Texaco and Getty Oil workforce to fall by about 21 per cent by the end of this year, as the two companies consolidated assets.

ITALY'S fourth largest bank, Credito Italiano, pushed up its net profits by 19 per cent to L36.8m (\$16.18m). Page 25

NIPPON KAYAKU, Japanese pharmaceutical group, is stopping production of the cancer drug interferon because of its "limited commercial use" and various side effects. Page 27

Production difficulties in London may have resulted in typographical errors in unit trusts, some advertisements and elsewhere in today's edition.

Steelmakers hail Reagan plan but fear market strain

BY OUR FOREIGN AND INDUSTRIAL STAFF

STEELMAKERS fear that world markets for their products will remain highly unstable because of President Ronald Reagan's decision to seek new voluntary restraint agreements with some principal steel exporting countries.

Mr Reagan's rejection of recommendations for further across-the-board quotas and tariffs on steel imports into the U.S. has received a widespread welcome, however.

A European Commission spokesman said he was "delighted" with that part of the decision, which meant that a fresh confrontation over steel exports from the EEC to the U.S. had been averted.

Had Mr Reagan agreed to new quotas, he would effectively have abrogated an EEC-U.S. agreement of 1982 that controls the greater part of EEC steel shipments to that country. Some form of retaliation would have been inevitable.

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The Governments of South Korea and Brazil also responded warmly to the decision. They are the two countries with which the U.S. is most anxious to negotiate voluntary export restraint agreements in the next three months.

The U.S. has recently imposed swinging countervailing and anti-subsidy duties on Brazilian steel, slowing shipments, which last year reached 1.2m tonnes to a trickle.

Sr Tarconio Mariani da Rocha, a senior Finance Ministry official, said Brazil would now seek to negotiate quotas within the voluntary overall ceiling of 430,000 tonnes a year announced in April. In return, Brazil expected U.S. steel producers to drop their charges of dumping and subsidy.

Brazilian leaders noted that Mr Reagan's decision on the steel issue came within 24 hours of the ending of a trade ministers' conference in Rio de Janeiro, at which the U.S. had joined other industrialised and developing countries in calling for greater trade liberalisation.

In Seoul, an official of the Korea Iron and Steel Association said Mr Reagan had made "a brave decision against trade protectionism despite pressures from the industry in the election year."

A South Korean Trade Ministry official hoped negotiations for voluntary limits on the country's steel exports to the U.S. would soon begin. South Korea exported \$664m worth of steel products to the U.S. up 38 per cent from the 1982 level.

Despite the satisfaction of the Brazilian and South Korean authorities, steelmakers in Western Europe worry that those and other new steel exporting countries might disrupt markets elsewhere. That would happen if, rather than cut back their production, they now attempted to increase their sales in Europe and elsewhere to make up for reduced prospects in the U.S.

The Canadian steel industry appears to come off best from the U.S. decision. "It means we can trade tomorrow like we did yesterday, with no restrictions," an official of Algoma Steel, the country's third largest producer, said.

Within the U.S. itself, big steelmakers applauded the decision, even though they had supported the ITC's recommendation of across-the-board quotas and tariff increases.

Editorial comment, Page 22; The politics of protection, Page 24

UAW tightens strike at GM factories

BY TERRY DOOSWORTH IN NEW YORK

THE United Auto Workers union tightened its selective strike on General Motors yesterday as it called out members at four more plants to bring the total of workers in dispute to more than 90,000.

The effects of the stoppages at the 13 plants ordered out at the weekend began to ripple through to other parts of the group, which accounts for almost half of all U.S. motor vehicle output. By yesterday morning, more than 7,000 employees supplying the 13 facilities had been laid off by the company, and more layoffs were imminent.

Almost a third of GM's 350,000-strong workforce is now idle.

GM is the UAW's first target in its 1984 negotiations with the industry. Ford, the second biggest U.S. car maker, has already said it will not necessarily be bound by any deal reached at GM. Chrysler, the industry's number three, settled with the union last year.

GM has lost production of about 25,000 cars and 4,500 commercial vehicles. Motor industry experts estimate that the shortfall on expected sales revenue may amount to around \$150m a week if the dispute continues.

The UAW took the decision to intensify its action after talks were broken off early yesterday morning. The union had made what it called comprehensive new proposals to GM in an attempt to break the deadlock over the two main issues of job security and wages.

GM kept the negotiations alive by returning to the bargaining table at 9.30am - only eight hours after the talks had been adjourned - with new counter-proposals of its own. The company refused to give details of its offer, but the union accepted the proposals as a basis for further talks and continued the negotiations.

The talks appear to have entered a highly critical stage as the UAW steadily moves towards a position of an all-out national strike. GM still appears to be reasonably optimistic about the chances of a settlement.

The main threat of an all-out strike comes from the pressure that is building up from some elements of the workforce to move to a more aggressive stance if the company does not compromise. It is also felt that the longer the strike goes on the more difficult the union leadership may find it to persuade those workers who are already in dispute to return to work without a radical improvement deal.

Union officials have hinted that the main problem over job security which remains at issue is the amount of outsourcing - buying in parts and cars from outside suppliers - GM will be allowed to do.

per cent capacity. He said the TUC statement of support meant that the NUM pickets at Ravenscraig and the other four main steel complexes should be obeyed.

The GMBU proposals, based on the guidelines adopted by the power unions during the 1974 miners' strike, will be put to the meeting - probably early next week - between the nine power unions and the NUM leadership.

While two important power unions - the engineers and the electricians - oppose action, the other seven can force the proposals through. They believe the two dissenting unions need do no more than refuse to do other workers' jobs - a longstanding union practice in disputes - for the plans to work.

Continued on Page 24
British GDP flat; Thatcher digs in, Page 2

Bérégovoy prepares to test his wiles on a world stage

By David Housego and Paul Betts in Paris

THE INTERNATIONAL financial community will make its official acquaintance with M Pierre Bérégovoy this week when the new French Economy and Finance Minister goes to Washington to attend his first International Monetary Fund meeting.

They will not be meeting a technocrat in the classic mould of the French "grandes écoles", but a wily and experienced political hand. "You know very well I believe more in psychological than in technical methods," he says quite candidly.

His appointment represents a clear political calculation by President François Mitterrand. The largely self-taught M Bérégovoy, son of a Ukrainian worker, was brought in to manage the economy and recover the Socialist's economic record and image in time for the run-up to legislative elections in early 1986.

Accordingly, his first budget, presented last week, unashamedly bears the mark of electoral calculations. The budget, he acknowledges, had to take into account the general election timetable.

Thus the squeeze on expenditure will take effect immediately, while the rise in petrol taxes has been spread out on a monthly basis between now and next spring. "We have some difficult months to get through," Mr Bérégovoy concedes.

After that, however, he expects - if the strength of the dollar does not throw his strategy out of the window - to see inflation fall more sharply. In the autumn, just six months before the elections, he expects French taxpayers to start to feel the benefit of the budget's tax cuts.

Of the generally flat and cold response from the media of the left to his austerity budget he notes that the right-wing press has apparently realised that results will begin to be evident from next May onwards. "The tax cuts respond to President Mitterrand's pledges in the 1981 elections to see the overall tax burden decline at last in France," he explains, adding that the tax cuts are also intrinsically linked with public spending cuts in that they have forced greater discipline on the state budget.

M Bérégovoy plans to apply his psychological approach to international economic matters as well. "When I go to Washington," he says, "I will talk in political terms."

He has no illusions about rapid Communist hard-liners prevail, Page 2

Threat to electricity and steel in Britain

BY JOHN LLOYD, INDUSTRIAL EDITOR, IN LONDON

ELECTRICITY supply and steel production in Britain are now under threat from union action in support of the National Union of Mineworkers (NUM). However, the prospect of that action risks damaging the fragile unity within the Trades Union Congress (TUC) on delivering solidarity with the NUM.

Proposals produced by the General Municipal and Boilermakers' Union (GMBU), the largest in the power stations, might, if implemented by its members, result in power cuts by mid-November.

At the same time, Mr Arthur Scargill, the NUM president, has said he does not recognise the agreement reached last week between the Transport and General Workers' Union and the Iron and Steel Trades Confederation on the supply of sufficient coke to British Steel Corporation's Ravenscraig plant in Scotland to guarantee 85

per cent capacity. He said the TUC statement of support meant that the NUM pickets at Ravenscraig and the other four main steel complexes should be obeyed.

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Continued on Page 24
British GDP flat; Thatcher digs in, Page 2

Argentina to meet IMF amid caution over loan

BY JIMMY BURNS IN BUENOS AIRES AND PETER MONTAGNON IN LONDON

ARGENTINA was yesterday due to begin a series of top-level meetings in the U.S. to press for approval for its application for a \$1.5bn loan from the International Monetary Fund.

Señor Bernardo Grinspun, the Argentine Economy Minister, was expected to meet Mr Jacques de Larosiere, IMF managing director, in Washington last night to seek his endorsement of a memorandum of understanding on the loan proposal agreed with IMF negotiators in Buenos Aires.

Tomorrow he is scheduled to meet Mr Donald Regan, U.S. Treasury Secretary, and Mr Regan confirmed at a press conference yesterday that President Ronald Reagan would meet President Raul Alfonsín at the UN in New York at the weekend.

However, despite optimism in Buenos Aires that an agreement can be concluded fairly quickly, bankers remain deeply cautious about Mr de Larosiere's response to the memorandum of understanding, which should provide the basis for a formal letter of intent.

Argentina remains under pressure to complete its agreement with the IMF before a rescheduling of its \$440m foreign debt can be undertaken by commercial bank creditors. "We do think an IMF programme is a necessity for them," Mr Regan said yesterday.

Commercial bankers say that, after many false starts, they will wait "till the ink is dry on the IMF paper" before considering Argentina's rescheduling request. They add, however, that Argentina does seem to be inching towards an agreement, even if it might still take a few more weeks to complete.

The memorandum of understanding sets out technical aspects of Argentina's programme, but some basic policy issues still need to be agreed with Mr de Larosiere before the proposal can go to the IMF executive board.

Argentina is seeking a \$1.5bn 15-month standby credit together with a \$300m loan from the IMF's compensatory financing facility to offset lower export receipts than expected.

Mr Grinspun said the memorandum maintained the fundamental outlines of the draft letter of intent sent by Argentina to the IMF in June. That forecast a 5 per cent economic growth rate this year after 2.5 per cent in 1983 and a trade surplus of \$3.6bn, leading to a balance of payments deficit on current account of \$2.9bn.

Mr Grinspun declined to detail the memorandum, particularly its key target for the budget deficit, before his meeting with Mr de Larosiere, but he said he did not foresee any serious obstacles to the memorandum's final approval.

Debtors 'near limit of endurance', Page 4

U.S. will not back Africa fund

BY STEWART FLEMING IN WASHINGTON

THE U.S. is not prepared to support the establishment of a new special fund within the World Bank, which would be designed to target its loans on the near-desperate nations of sub-Saharan Africa.

Discussing U.S. positions on issues expected to come up at this weekend's annual meeting of the International Monetary Fund and the World Bank, Mr Donald Regan, the U.S. Treasury Secretary, said yesterday that the U.S. could not participate in the special fund for sub-Saharan Africa that is being proposed in a report the World Bank has commissioned on the region. The report will be one of the main items on the agenda when officials from developed and developing countries meet over the next few days before the IMF World Bank annual meeting.

Mr Regan said that the U.S. believed that the International Development Association (IDA), the affiliate of the World Bank that makes long-term interest-free loans to the world's poorest nations, should concentrate its resources on sub-Saharan Africa. The U.S. has been critical of the volume of IDA funds going to India.

Mr Regan also pointed out that the U.S. was proposing in Congress a large bilateral aid programme for sub-Saharan Africa which is larger than the combined programmes of all other industrial countries.

On other topics, Mr Regan said the U.S. would not support proposals to issue a new tranche of special drawing rights (SDRs), the international reserve assets that the IMF may create. He made clear, too, that the U.S. would, as expected, press for a reduction in the access that countries have to the IMF's resources from the increased levels that have helped heavily indebted countries to cope with the pressures of the debt crisis.

Commenting on the questions likely to be raised in meetings with officials of the other leading industrial countries on U.S. economic policy, Mr Regan said the U.S. would argue that the American budget deficit was not significantly higher than deficits in other European countries, such as the UK, as a percentage of its gross national product.

He said that, if state and local government budget surpluses to the U.S. were taken into account in the same way that they are in other industrial countries, the U.S. budget deficit was around \$110bn or some 3 per cent of GNP. That is significantly lower than the \$170bn of the federal Government alone.

He conceded that the U.S., too, was dismayed by high dollar interest rates but argued that they reflected the fact that the Administration was not getting from the financial markets the credit it deserved for curbing inflation. He said he expected interest rates to decline at the short end of the market just as long-term rates have fallen in recent months.

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EUROPEAN NEWS

European Community plays at brinkmanship as deadlines loom

BY QUENTIN PEEL IN BRUSSELS

"YOU MUST remember the way the Community behaves," M Roland Dumas, France's Minister for European Affairs, reminded frustrated journalists at the abortive conclusion of the latest EEC foreign ministers' meeting this week. "It is often only at the very last moment that matters get sorted out."

The French words he actually used translate literally as "get unknotted," which is a more graphic, and probably more accurate description of the task facing the combined ranks of the EEC's foreign, finance and farm ministers in Luxembourg in less than two weeks' time.

All the most pressing and controversial issues on the Community's agenda have been postponed to a sort of mini-summit series of Council meetings on October 1 and 2.

There, the respective ministers will attempt to reconcile their differences on the budget, including the crucial issue of how to control farm spending over the long term; to resolve the key issues holding up the negotiations to bring Spain and Portugal into the Community;

and to decide how to control the overloading wine lake, which threatens both to drain the budget, and to upset the enlargement talks.

In delaying their final agreement, the Ministers have broken one deadline and presented themselves with another two.

They have missed the end of September deadline to reach agreement with Spain and Portugal on the terms of accession, supposed to take place on January 1 1986. For months that has looked an impossible target. But if the accession date is to be maintained, they must finish the negotiations by the end of this year, to give all the individual national parliaments time to ratify the deal.

The new deadlines concern the supplementary budget for 1984, and the complete budget for 1985. The former must be approved before the end of October if the European Commission is not to run out of money.

The latter must be submitted to Parliament by October 5 to comply with the Treaty of Rome, in order to give MEPs time to

FRANCE WANTS OPPOSITION FIGURE FOR BRUSSELS

FRANCE'S Socialist administration is hoping to name a member of the opposition as the country's second Commissioner in Brussels, writes David Housego in Paris. The move ties in with attempts by Prime Minister Laurent Fabius to broaden the basis of his government by offering non-ministerial posts to

politicians of the centre or the right.

M Jacques Delors, the former Finance Minister, who has been appointed president of the Commission, holds the other Commissioner's post.

The opposition has so far rejected initiatives by M Fabius's administration to give them a shared respon-

sibility for some aspects of policy.

Among names being mentioned in the French Press as possible Commissioners are M Andre Girard, the Industry Minister under President Giscard d'Estaing, and M Alain Chalandon, a former Geullist minister and head of Elf-Aquitaine, the state owned oil group.

approve it before the end of the year.

All the issues on the agenda in Luxembourg later relate, but the budget inevitably is at the centre of the web—the problem of imposing budget restraint while reducing Britain's net contributions, a dispute which has pitted Britain against the virtually unanimous opposition of its partners.

That issue is very close to resolution. They have been the acceptance by all the members that an entire package of mea-

sures will be necessary to satisfy Britain and extract some concessions in return.

The broad agreement on budgetary discipline reached by finance ministers in Ireland last weekend goes a big step of the way, although the details have yet to be agreed. The essence of the deal is that the ministers will possess an effective veto on any EEC spending which exceeds a budget ceiling set at the beginning of a given year.

Any member state would be able to blow the whistle on a

particular spending decision, if it exceeded the budget ceiling, and have it referred to the finance ministers. They in turn would accept or reject it and, if unable to agree, refer the matter to the foreign ministers as the last court of appeal, with the power to decide by qualified majority.

Britain is concerned whether such a system would prove "effective." The French are worried that it may prove too effective. Indeed, M Michel Rocard, the French Agriculture

Minister, expressed grave misgivings about any system that gave finance ministers a veto over the Agriculture Council.

If French objections can be resolved, that package should gain approval from the finance ministers on October 1. The remainder of the budget deal requires the foreign ministers' blessing.

There the outstanding issue is when and how the long-term contributions of member states to the EEC are to be increased, and it relates directly to the enlargement negotiations.

Britain maintains that the "new own resources"—an increase from 1 per cent to 1.4 per cent in the VAT ceiling on EEC revenues—will have to be introduced in the course of 1985, to allow the promised British budget rebate of Ecu 1bn (£600m) for 1984 to be repaid as an abatement of British contributions, rather than as a direct rebate.

West Germany, however, insists that the new own resources can only come into effect on the date of enlargement—January 1, 1986—when the Com-

munity will inevitably face increased costs. It fears that the enlargement negotiations could be delayed indefinitely by southern member states unless increased contributions are linked to them.

There lies the link with the enlargement talks and the sticky issues on that front such as controlling the overproduction of wine and olive oil. West Germany wants to maintain that budget pressure to keep the momentum up on Spain and Portugal, but unless it relieves, Britain will refuse to sanction an immediate hodge deal in time to resolve the cash crisis.

Bringin gall the strands together will be the real challenge of the Irish presidency.

● Sr Felipe Gonzalez, the Spanish Prime Minister, is due in Dublin today to try to give fresh impetus to negotiations on Spain's entry to the EEC, writes David White in Madrid.

Fishing will loom large among specific issues on his agenda, but Susan also considers it crucial to make concrete progress on such key issues as olive oil and movement of labour.

Boycott by Maltese students

By Godfrey Grims in Malta

MALTESE parents yesterday protested against Prime Minister Dom Mintoff's controversial education reforms by keeping their children away from four colleges created specially to replace Roman Catholic Church colleges which have not been licensed to reopen in October.

The Church has had eight of its leading secondary schools shut down under legislation rushed through the 65-member Maltese parliament in May. Licences were withheld by the Ministry of Education after the schools rejected a binding condition to dismantle their fees systems.

In the run-up period to the opening of the new scholastic year four large colleges were prepared by the Government for students affected by the closure of church colleges. Student enrolment, however, was significantly low from the start, and when the colleges opened only 300 out of 4,000 students hit by the Government's measures turned up.

Iberia workers settle dispute

BY DAVID WHITE IN MADRID

STRIKING maintenance workers at Iberia, the Spanish national airline, called off their action yesterday after six days of chaos in air services.

Agreement on ending the strike, reached at a meeting between Iberia's works committee and the independent maintenance technicians union, Asertma, came after the Government ordered the airline to replace cancelled services by subcontracting to charter companies.

The strike was declared illegal on Tuesday night.

The Government had earlier said it would not intervene in the conflict as it did in a pilots' strike in July.

The back-to-work agreement, which received full backing from the airline's management, provides for the withdrawal of 49 dismissal notices sent out by the company after the strike was prolonged at the weekend. A further 14 earlier dismissals are to be put to labour tribunals.

The Government, faced with legal difficulties in intervening in an un-

official strike, asked the state-owned airline on Tuesday night to fulfil its flight schedules by subcontracting to the other Spanish carriers, Aviaco and Spanair.

The airline yesterday chartered aircraft from Dutch and Swiss operators.

The strike, principally over training facilities, brought bitter exchanges between Asertma and the Socialist UGT union, which was accused of putting pressure on technicians to go back to work.

Call to reform Italian labour regulations

BY JAMES BUCHAN IN ROME

ITALY must reform its highly restrictive labour regulations if it is to have any hope of meeting the rising demand for jobs in the next 10 years.

This is one of the major themes of a plan for employment presented in Rome yesterday by Sig Gianni de Michelis, the Socialist Minister of Labour.

Sig de Michelis, who is one of the more active members of Sig Bettino Craxi's Cabinet, said that the complex labour laws administered by

his ministry discouraged companies from taking on labour, especially young people. One result, he said, was that Italy had the highest proportion of official youth unemployment in Europe.

Under Italian labour laws it is virtually impossible to sack employees. Workers can, however, be put on permanent lay-off, which is heavily subsidised by the state. There are also tight restrictions on how companies hire labour and on who they hire.

Hardliners back at the helm of French Communist Party

BY PAUL BETTS IN PARIS

THE established hierarchy of the French Communist Party (PCF) has reasserted its control over the party at a key three-day central committee meeting which ended last night.

The impressive display of strength by the traditional party hardliners completes a two-month process during which they have successfully silenced a growing wave of internal criticism against the PCF leadership and its policies.

M Georges Marchais, the party secretary general whose political career was in the balance a few months ago, also firmly re-established himself at the top of the party.

The central committee meeting has now set the tone for the build-up of the party's 25th Congress next February, when M Marchais is expected to be

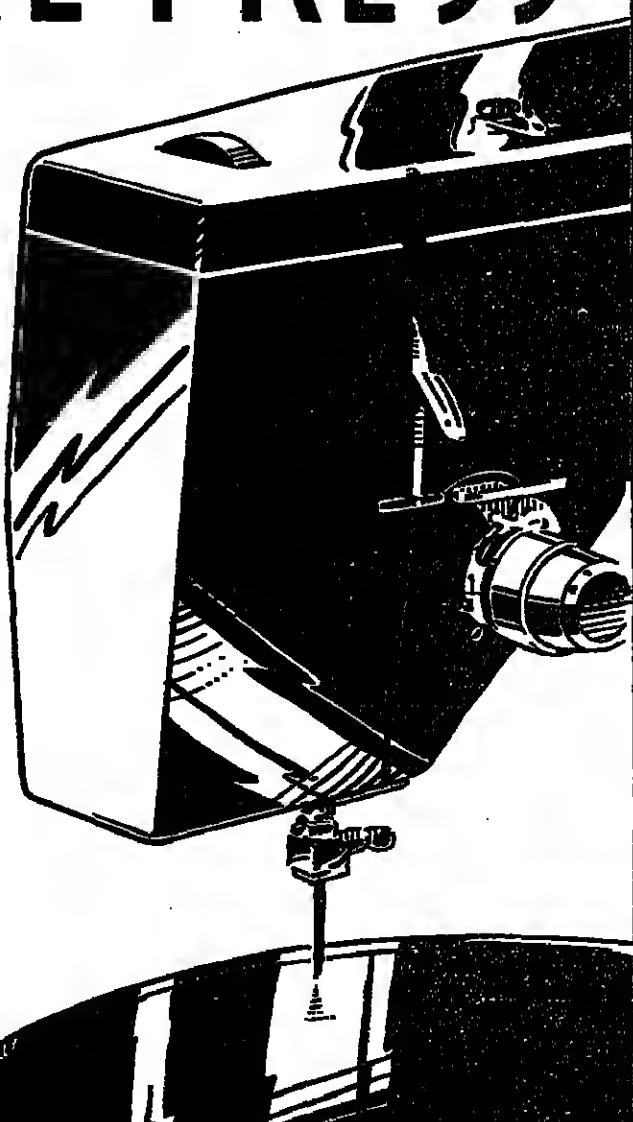
re-elected as secretary general. The meeting also confirmed the Communist divorce from the Socialists and the party's intention to intensify its opposition to the Socialist Government.

Even the most ardent supporters of the so-called French union of the left and the participation of Communists in a

coalition government with the Socialists told the hard line during the central committee debate.

Renal M Rigout, a Communist minister in the former coalition, openly opposed last July the party's decision to pull out of the pact with the Socialists. He now believes, like M Charles Fiterman, the former Communist transport minister, that the decision to withdraw from the coalition was right, although he says the PCF has failed to communicate and get its policies across to its electoral base.

To what appears to be essentially a token gesture of appeasement to the silenced party moderates, M Marchais in his long address to the central committee acknowledged the need to improve certain party structures.



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High-tech links with West Germany urged

BY JAMES BUCHAN IN BONN

AN URGENT appeal for closer co-operation between French and West German business, in order to meet the high technology challenge from Japan and the United States, has been made by M Roland Dumas, France's Minister for European Affairs.

Speaking to businessmen in Essen, he also criticised West German reluctance to support such projects as the Ariane space programme.

M Dumas complained that, in the past five years, West European companies had concluded only a tenth of the co-operation agreements signed by Japanese and U.S. concerns. He warned that France and West Germany ran the risk of running into the "absurd situation" of each

developing a new generation of telephone exchanges and with incompatible technology.

The notion of fair competition was a recurrent theme of the European Community than a national market, he said. Clearly snarling still from the West German Cartel Office's opposition to the Grundig-Thomson Brandt merger, announced in 1982, M Dumas said: "I think that German cartel law should be adjusted to this situation, where we should think in terms of EEC or world market shares."

● Dornier of West Germany and Aerospaciale and Thomson-Brandt of France are to develop a "stand-off" surface-to-air missile to go into service by 1990.

Belgium ponders referendum

By Paul Cheeswright in Brussels

THE BELGIAN Government, following the example of the French, is preparing to make constitutional proposals for the use of the referendum in farming laws. This will mean changing the constitution which gives legislative power to the King and the two houses of Parliament collectively.

Mr Jean Gol, the Deputy Prime Minister and Minister of Justice, made clear, however, that the referendum could not be used to settle communal issues. Belgium is divided in contentious rivalry between Dutch-speaking Flanders and French-speaking Wallonia.

To avoid communal clashes Mr Gol is thinking in terms of a two-thirds majority before any issue handled by referendum can be considered as approved. They are likely to be confined largely to non-communal economic and social questions.

Such topics include the shape of the educational system, a matter also under consideration in France, and the continuation of wage indexation. The electorate could also be consulted on whether a government should be granted special powers to deal with economic crisis, a spokesman said.

Belgian governments since the war have asked Parliament periodically for special powers. The present Government used such powers until last spring and in the space of two years issued some 300 decrees, work which would have taken Parliament twice as long to handle.

Mr Wilfried Martens, the Prime Minister, said in an interview yesterday that he would like the use of special powers to be defined in the constitution.

He argued that such powers did not diminish the democratic process. "Let us not forget that we govern under the control of Parliament. These are not full powers, they are special powers. Any day the Chamber or the Senate can say 'It is finished. We withdraw our confidence in the Government'."

Moscow allies promise to strengthen links

BY LESLIE COLITT IN BERLIN

EAST GERMANY and Bulgaria, whose leaders were prevented by Moscow from visiting West Germany this month, have pledged to strengthen their alliance with the Soviet Union.

Herr Erich Honecker, the East German leader, cancelled his planned visit to West Germany late this month, while Mr Jodor Zhivkov, Bulgaria's Communist Party chief and President, called off a visit to Bonn, which was to have begun yesterday.

East European diplomats said both men were "advised" by Moscow not to proceed with the visits in the midst of a Soviet-led campaign against West Germany.

Herr Honecker and Mr Grisha Filipov, Bulgaria's Prime Minister, who is visiting East Germany, said they would do everything to "continue strengthening" their alliance with the Soviet Union and the "unity and resolution" of the Warsaw Pact states.

Herr Honecker was quoted by the

East German newsagency as noting it was "most important" to continue expanding the political dialogue with those forces who "genuinely are concerned with maintaining peace." That was taken to mean a dialogue with interested Western leaders.

Both countries are among Moscow's closest allies and their leaders' plans to visit West Germany provoked a strong reaction from Soviet diplomats.

East Germany's Communist newspaper, Neues Deutschland, yesterday stepped up a demand that West Germany respect East German citizenship and noted that that was a condition for "co-operation" and "rational relations" with East Germany.

The East German newsagency also sharply attacked Herr Rainer Barzel, the President of the West German parliament, for saying that West Germany should support "hopes for freedom" from the Baltic Sea to the Black Sea.

Bonn regrets Pact decision

THE REFUSAL of Warsaw Pact countries for the first time for several years to send observers to the current Nato military exercises in West Germany was deeply regretted yesterday by Herr Hans-Dietrich Genscher, West German Foreign Minister.

He denied, however, that their decision was connected with the Soviet-inspired diplomatic squeeze on Bonn by the Eastern bloc.

Pravda backs Andreotti

BY DAVID BUCHAN IN LONDON

BONN'S RECENT protest at comments by Italy's Foreign Minister on the division of Germany has provided the Soviet Union with fresh ammunition to attack West Germany's approach to East Germany.

Pravda, the official party newspaper, yesterday took the side of Sig Giulio Andreotti, who had remarked publicly that it was better to maintain two separate German states. The Soviet paper said Sig Andreotti showed a realistic approach to preserving peace in Eu-

rope.

By contrast, Pravda said, the sharp West German complaint to Sig Andreotti that the permanent division of Germany had never been accepted showed that West Germany sought "the liquidation" of East Germany.

In recent months the Soviet media has mounted increasing attacks on West Germany, accusing it of "revanchism" or seeking to regain territory lost after the Second World War.

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OVERSEAS NEWS

U.S. demands Israeli austerity programme in return for aid

BY DAVID LENNON IN TEL AVIV

THE U.S. has warned Israel that if it wants additional economic assistance it must first introduce an austerity programme to deal with the crisis which has left its foreign currency reserves dangerously depleted.

Mr Yitzhak Moda'i, the Finance minister, said this was the message delivered to him by the U.S. Ambassador Mr Samuel Lewis, who returned to Israel this week from Washington.

Mr Shimon Peres, the prime minister, will be carrying a request for emergency economic assistance of around \$1.5bn when he meets with President Ronald Reagan in Washington on October 9.

Israel is in desperate need of this aid to tide it over a planned transition period out of economic recession. Objectives include reduction of the current account balance of payments deficit of near \$5bn, to refurbish the depleted reserves and to curb 400 per cent inflation which is threatening to soar even higher.

"Only you can help yourselves," Mr Moda'i said the ambassador had told him. "And

ISRAEL'S government today raised electricity charges by 30 per cent and postal rates by 60 per cent, Reuters reports. The Cabinet has agreed in principle to slash government spending by \$1bn, but several ministries are fighting cuts.

you know what, I agree with him," the minister declared at a meeting of industrialists on Tuesday night.

The ambassador is reported to have told the minister that additional aid should be used to living if it wants extra on top of the regular \$2.6bn annual grant package.

Mr Lewis, also cited as saying that it is unacceptable that Israel must cut its standard of living to sustain an artificially high standard of living and to build Jewish settlements on the occupied West Bank.

This same message was reiterated by the Finance minister in his meeting yesterday with the trades union leaders whom he is asking to accept a cut in real wages as part of a social pact.

S. African mine unrest leaves seven dead

By Jim Jones in Johannesburg

SETTLEMENT of South Africa's first legally threatened strike by black gold miners has been bloody and costly. At least seven miners have been killed, 500 injured and mine property worth millions of Rands has been destroyed in three days of unrest which have shaken the industry. Further unrest threatens before the country's most important industry returns to normal.

On Monday, the strike was apparently averted when the National Union of Mine-workers (NUM), which represents 90,000 of the country's half million black miners, agreed to a final wage and benefits offer by the Chamber of Mines. Agreement, however, did not prevent outbreaks of unrest in most of the major gold mining areas. One mine management curiously refused an offer of help in settling disturbances made by Mr Cyril Ramaphosa, NUM general secretary, and chose instead to use armed police to quell its rioting employees.

At the Western Areas mine about 26 miles west of Johannesburg half of the mine's 14,000 black workers went on strike early Tuesday morning demanding guaranteed rights to employment on returning from visits to the black townships. In a night of rioting and arson, they set fire to administration buildings, kitchens and sleeping quarters in the North Shaft compound. By daybreak the mine management called in riot police and in the succeeding fracas, seven miners were killed and 50 injured.

Disturbances spread to Western Areas' South Shaft yesterday and police action to prevent rioting left at least 20 men badly injured.

At the Haribeesfontein mine, near the western Transvaal town of Klerksdorp, management took a tough line yesterday when only 1,900 of the mine's 12,000 black workers reported for work following three days of strike action. Return to work or face instant dismissal, management told the men who were striking in support of demands that their union, the NUM, be recognised by management.

Michael Thompson-Noel reports on one of Australia's messiest political controversies Peacock on thin ice after attacking Hawke

FOR A man whose chief virtue was always thought to be his grasp of style, Mr Andrew Peacock—leader of the Australian Liberal Party—has engineered one of the messiest political controversies witnessed in Australia since the fall of the Whitlam Government in 1975.

For months, Mr Peacock has been under intense pressure to raise his game and provide an effective challenge to Prime Minister Bob Hawke's Right-wing Labor Government, which has ruled for 18 months, and has used that period to annex virtually the entire middle ground of Australian politics.

A week ago Mr Peacock made his move, launching a ferocious attack on Mr Hawke in Canberra. Yet the attack has backfired and may spell the political death of Mr Peacock, plus an even longer stretch in the wilderness for the Liberal and National parties which, until the advent of Mr Hawke, ruled in coalition.

Mr Peacock's attack came during a censure debate against the Government in Parliament. As Mr Hawke was leaving the chamber, Mr Peacock described the Prime Minister as "a little crook," a "pervert of the law," and "one who associates with criminals and takes his orders from those who direct these criminals."

Mr Peacock later withdrew the "little crook" remark. However, there was an immediate outcry, even in Australia—whose parliamentary debates are famed for crudity of language and

poverty of content—it was immediately apparent that the Liberal leader had overstepped the mark.

Mr Hawke said the accusations were baseless and defamatory. "I am not a crook," he told a radio interviewer. "I am not a criminal. I'm not directed by crooks."

Later, Mr Hawke claimed that Mr Peacock's "increasing desperation to save his political hide" had panicked him into "irrational behaviour," and said that, despite opportunities to do so, Mr Peacock had failed to produce "a shred of evidence to support those reckless charges."

This was also the view of Senator Don Chipp, leader of the Australian Democrats, a small but occasionally influential party, who said that Mr Peacock had put himself in an impossible situation.

He has now to name the criminals with whom he claims Bob Hawke associates, and he must be prepared to do so outside Parliament," said the senator.

As for the general election which Mr Hawke is expected to call in late November—16 months earlier than strictly necessary... Sen Chipp said that if Mr Peacock failed to substantiate his claims against Mr Hawke, Mr Peacock would turn "certain electoral defeat into an absolute disaster."

In a desperate attempt to rescue some credibility for their leader, Liberal Party strategists attempted this week to direct attention away from Mr Peacock's frontal attack on Mr



Mr Peacock: unable to slow the Hawke bandwagon.

present Hawke Government had had the habit of calling Ministers in the former Liberal-National Government "rotten crooks."

However, Mr Peacock maintains that the Hawke Government has exhibited a "consistent pattern of concealment" in dealing with organised crime.

"I don't feel under pressure at the present time," said Mr Peacock this week. "It is absolute nonsense to suggest that my speech in Parliament has caused me great political damage. What I said was much less than Hawke, Hayden, or Keating said about us." (Mr Bill Hayden is Labor's Foreign Minister; Mr Paul Keating is the federal treasurer).

Despite his insouciance under fire, Mr Peacock is now treading on razor-thin ice and will have to draw deeply on his known reserves of charm, panache and sheer willpower if he is to survive.

Sometimes likened to Mr Pierre Trudeau of Canada, or Governor Jerry Brown of California, Mr Peacock has suffered from his image as an immaculately-groomed "show-pony."

The opposition is also clearly readying itself for a renewed attempt at linking the Australian Labor Party hierarchy with crime and corruption in New South Wales, the Prime Minister's own political power base.

In part, its efforts may be aided by the final report of the Costigan Royal Commission, which under Frank Costigan, QC, which for months has been investigating the notorious Ship Painters' and Dockers' Union, plus the wider ramifications of organised crime in Australia.

falling to staunch the tide of Labor popularity.

The Hawke Government's popularity rests in large measure on the Prime Minister's unique rapport with the electorate at large, on Labor's shrewd theft of the political middle ground and on a range of policy initiatives, especially in banking and finance, that have earned the Government a high approval rating.

Since becoming leader, Mr Peacock has failed to articulate a convincing Liberal Party philosophy or to slow the Hawke bandwagon. In a recent Gallup Poll, in the Bulletin magazine, 47 per cent of Liberal and National Party voters actually thought that Mr Hawke made a better Prime Minister than Mr Peacock would.

In the unofficial election campaign already under way, the Liberal and National Parties are trying to argue that if Labor is re-elected, it will once more unfurl its colours as the party of gradiose spending and high taxation.

The opposition is also clearly readying itself for a renewed attempt at linking the Australian Labor Party hierarchy with crime and corruption in New South Wales, the Prime Minister's own political power base.

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Gadaffi wants Paris visit

BY DAVID MARSH IN PARIS

COL MUAMMAR GADAFFI, the Libyan leader, has announced his wish to visit Paris to cement a "new era" of co-operation with France in the wake of the two countries' week-end agreement to pull troops out of Chad.

Col Gadaffi's conciliatory gesture, during an interview on French television on Tuesday night on which he praised President Francois Mitterrand for his "courage," reinforces diplomats' impression that Tripoli is trying to mend quickly broken fences with France.

None the less, crucial ques-

tions still have to be answered on whether the troop pull-out—scheduled to begin next week—will leave a vacuum which could encourage new warring between rival Chadian factions.

President Hissene Habre, protected in the south of the country by more than 3,000 French troops since August 1983, has shown concern about not being involved in the peace manoeuvres. He was informed of the agreement only on Monday by Lt Charles Hernu, the French Defence Minister, sent quickly to N'Djamena after the sealing of the accord in Tripoli.

Marcos human rights abuse claim

GENEVA—The International Commission of Jurists (ICJ) accused Philippines President Ferdinand Marcos and his Government today of widespread human rights abuses.

The ICJ, an independent body grouping 40 jurists from throughout the world, said in a report that the Philippines army

and police were guilty of "illegal killings, massacres, burning of villages, arbitrary arrests and torture."

The 124-page report, compiled after an on-the-spot investigation, said victims included civilians as well as suspected rebels. Abuses were rarely investigated. Agencies.

HK document ready for signing

BY DAVID DODWELL IN HONG KONG

CHINESE and British negotiators in Peking confirmed yesterday that completed drafts of the joint declaration on the future of Hong Kong have been sent to their respective governments. An announcement is expected today finalising the date for initialling the document.

Successful completion of the declaration and its three annexes means that a final negotiating session planned for next week will now no longer be necessary. Over the past 14 months, British and Chinese negotiating teams have met in secret in Peking for 22 sets of two-day meetings.

News of the latest develop-

ments in Peking makes it certain that when Sir Edward Youde, Hong Kong's governor and a group of unofficial (non-civil servant) members of the Colony's Executive Council—equivalent to Britain's Inner Cabinet—met Mrs Margaret Thatcher and Sir Geoffrey Howe, Britain's foreign secretary in Downing Street last night, they were able to put their seal of approval on the completed declaration.

British and Chinese negotiators have aimed for the past two weeks to have the document—in both its English and Chinese versions—ready by yesterday. It is now a matter of printing the document—no

easy task, since in Hong Kong alone over 250,000 copies in English are being run off, with more than 1m copies in Chinese.

It was revealed yesterday that the joint working group of British and Chinese officials that has been in continuous session since early July has been disbanded. The group was brought together to tackle four detailed issues that British and Chinese negotiators could not reach agreement on.

These were the issues of land rights, the rights of British nationals in Hong Kong, the shape of government after 1997, and air landing rights in the territory.

Japan's GNP growth soars

BY JUREK MARTIN IN TOKYO

THE JAPANESE Gross National Product expanded at a real annual rate of 6.7 per cent between April and June, thus triggering a revised government estimate that for the full fiscal year, which began in April, it would rise by 5.3 per cent.

This revision by the Economic Planning Agency had been generally expected. In recent years, the agency has tended to overstate economic growth, but on this occasion its original estimate for fiscal 1984 was for a mere 4.1 per cent advance.

Its forecasts for GNP include increases over the year of 10.3 per cent in industrial production, 8.1 per cent in private

capital investment, 3.6 per cent in personal consumption, 4 per cent in housing starts, and 1.7 per cent in government spending.

It also projects a current account surplus of about \$3bn in the fiscal year, compared with \$23bn last year and an earlier, and long since discarded, projection of \$24.2bn for the current year.

On the other hand, the rate of inflation should be even more modest than previously estimated, with wholesale prices only going up by 0.6 per cent and consumer prices by 2.6 per cent, down from the 1.0 per cent and 2.8 per cent of earlier forecasts.

Constant electric light was first switched on at No 11 Union Street, Dundee, the home of James Bowman Lindsay, in 1835; 45 years before Edison in America, and Swan in England, took out their patents. And for 27 years Lindsay's lights burned late into the night as he wrote up his scientific experiments.

Not Edison in 1878



If Lindsay had been a bit more of an entrepreneur, history might have remembered his lightbulb.

But he was too pure a scientist. And too canny a Scot.

Possessing the cheapest means of burning the midnight oil ("Half a farthing per week") meant more to him than fame and fortune.

However, the historical record of Scottish achievements, in electrical engineering and electronics, shines brightly enough without the lightbulb.

It includes electrical insulation, the electric clock, facsimile reproduction, the TV, video recording and the discovery of solitons.

And, most important, Maxwell's theory of electromagnetism. The corner stone of electronics technology.

But Lindsay in 1835.

The skills obviously have been passed down. Scotland now has a commanding position in the European electronics scene.

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Its companies are among the world leaders in computer graphics technology, interactive video systems and banking terminals.

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Altogether there are over 250 electronics companies in Scotland, employing more than 40,000 people. And the growth seems unstoppable.

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AMERICAN AND WORLD TRADE NEWS

Nicaragua protests to Washington

By Tim Coone in Managua

SR MIGUEL D'ESCOYO, the Nicaraguan Foreign Minister, has made a formal protest to Mr George Shultz, the U.S. Secretary of State, over the presence of three U.S. frigates off Nicaragua's Pacific coast.

The ships came to within eight to 10 miles of Nicaragua's shore on Monday, close to the military base of Montelmar and the southern port of San Juan del Sur.

The Nicaraguan Ministry of Defence said that a Sea King helicopter from one of the frigates had also made a series of manoeuvres close to the shore. The ministry said that a new offensive was expected shortly by the U.S.-backed guerrillas of the FDN in the north of the country and the ARDE in the South.

There were approximately 6,000 guerrillas inside the country, about 2,000 of which were grouping around the northern town of Estelí. The ministry said that 30 guerrillas had been killed in 31 skirmishes in the past 15 days with the loss of 40 Sandinista troops.

In Mexico, Commander Humberto Ortega, the Nicaraguan Defence Minister, reiterated that Nicaragua had the right to its own air force and said that the new Punta Hecote military airport near the capital would be inaugurated later this year or early in 1985.

Warning on economic recovery

By Max Wilkinson in Toronto

MR NIGEL LAWSON, Britain's Chancellor of the Exchequer, warned yesterday that further progress in the recovery of the world economy was threatened by the continued rise in U.S. interest rates this year.

In his keynote speech to the Commonwealth finance ministers in Toronto he said that all governments shared a responsibility to moderate their calls on the world's supply of savings.

Otherwise, he said, high interest rates could inhibit worldwide investment, as well as adding to the Third World's problems in servicing its debts.

Mr Lawson's warning is likely to be strongly reinforced later this week by other European powers in private conversations with the U.S. Administration, during the annual gathering for the International Monetary Fund and World Bank.

They will be urging with renewed vigour the U.S. Administration to start preparing now for measures to cut the budget deficit as soon as the November presidential election is over.

Earlier, Mr Shridath (Sommy) Ramphal, the Commonwealth Secretary-General, warned that many of the world's poorer countries were nearing the limits of endurance under the combined burdens of debt and weak growth.

He said the dangers facing the world economy had worsened in the past year.

Alfonsin faces major test on human rights

BY JIMMY BURNS IN BUENOS AIRES

PRESIDENT RAUL ALFONSIN will today face what could prove a major political test when he is asked to endorse the publication of the most detailed report ever made on human rights violations in Argentina.

The report has been prepared during the nine months of democratic rule by the Government-appointed commission on disappeared persons. It will be officially handed in to the president this evening by prize-winning writer Ernesto Sabato, who together with a group of lawyers, bishops, and journalists has conducted thousands of interviews with the victims of the former military regime.

The ruling Radical party has called a massive demonstration in support of the commission to coincide with the publication of the report, and similar rallies will be held throughout the country.

But some Government officials are understood to be worried by reports of unrest in sectors of the armed forces and threats of destabilising action by isolated groups linked to the former hit squads.

Military officers of all ranks have done little to hide their displeasure with the prospect that a public airing of their past activities may further undermine the prestige of the armed forces.

In spite of a concerted campaign in the local media aimed at tailoring public opinion to the crimes of the previous military regime, there is little sign that this has worked its way through the armed forces.

On the contrary, most of the military remains reluctant to accept any guilt for what it still regards as a necessary strategy to wipe out left-wing terrorism.

This attitude has been epitomised by the refusal of military courts to issue judgments on any of those responsible for the past repression.

In recent weeks, the highest military court, the Supreme Council of the Armed Forces, has handed to pressure from the Government and arrested the three former members of the military junta that led the 1976 coup, including former President Gen Jorge Videla.

In addition, former Buenos Aires police chief General Ramon Camps, the former head of the notorious torture centre, the naval mechanical school Admiral Ruben Chamorro, and the former head of the third army corps General Luciano Menendez have also been detained.

But with the time limit placed on the military court cases expiring before the end of the month, the council has shown little inclination to reach a verdict or to institute proceedings against hundreds of other officers who were involved in human rights violations.

This has provoked a tug of war between military and civilian judges with a growing number of civil courts instituting proceedings on the basis of evidence submitted by former victims and human rights pressure groups.

Air-to-air missiles 'useless'

WASHINGTON — Thousands of Sidewinder and Sparrow air-to-air missiles are useless because of defects or maintenance problems, a U.S. General Accounting Office (GAO) investigator has told Congress.

The missiles are the mainstay of America's air combat arsenal.

About one-quarter of the Navy's Sidewinders and one-third of its Sparrows were found to be "unserviceable" for combat use in a recent examination of the Navy's records, according to the investigator, Mr Frank Conaban, director of the National Security and International Affairs Division for the GAO.

He testified before the Government Operations Subcommittee on National Security on Tuesday.

Tens of thousands of Aim-9 Sidewinders, a supersonic missile designed to home in on heat emitted by enemy planes, have been produced for American and Nato forces.

Mr Conaban said the current Sidewinder inventory filled 83 per cent of Pentagon war-fighting objectives for the weapon. The Sparrow inventory, he said, fills only 32 per cent of these objectives, which are based on sustaining up to six months of combat.

The New York Times in a story yesterday quoted an unidentified Navy official as saying that the GAO figures represented a "snapshot or spot-check, and not a trend of weapons availability."

Algeria agrees to slow gas exports to France

BY PAUL BETTS IN PARIS

ALGERIA HAS agreed to slow down the rate of its gas exports to France, providing some financial respite for Gaz de France, the French gas utility.

Algeria is France's largest gas supplier, exporting under three contracts 9.1bn cubic metres of gas a year, accounting for about 30 per cent of the country's total annual gas supplies.

But Algerian gas is extremely costly for Gaz de France because of the political premium paid by France for its gas supplies from Algeria. The Algerian gas is on average about 10 per cent more expensive than France's other gas supplies, notably from the Netherlands and the Soviet Union. The Algerian gas surcharge is expected to add about FFfr 1.5bn (£126m) this year to Gaz de France's already heavy deficit estimated at about FFfr 2.5bn.

Gaz de France has been seeking for the past months to negotiate more flexible terms for its Algerian gas. Unlike its contracts with the Soviet Union nor the Netherlands, where Gaz de France has a margin of a maximum or minimum amount of gas it must buy, it had no margin with Algeria and was required to take under the contracts the entire 9.1bn cubic metres a year.

Sonatrach, the Algerian state hydrocarbon group, has now agreed to allow Gaz de France to reduce its supplies of Algerian gas by about 10 per cent during the next two years. The agreement on the slowdown of Algerian gas supplies is expected to be confirmed today by Mme Edith Cresson, the French Minister for Industrial Re-employment and Trade.

However, Gaz de France will have to buy eventually the full amount of gas involved in the contracts before the expiry of

these long-term supply contracts. The oldest of the three Algerian contracts runs out in 2002.

Moreover, the French Government is due to review with Algeria the pricing arrangements of the contracts in the second half of next year.

Gaz de France is also seeking a revision in the price of its latest gas supply contract with the Soviet Union. French and Soviet officials are due to meet again soon after making no progress on the issue last June.

The pricing revision would take effect retroactively from January 1984 and Gaz de France is seeking a price cut of at least 10 per cent from Moscow. When its latest Soviet gas contract reaches its full throughput in two years' time, the Soviet Union will be supplying France about 10bn cubic metres of gas a year, thus becoming France's main supplier, overtaking Algeria.

Ankara signs gas deal with Soviet Union

By Our Foreign Staff

TURKEY is to purchase up to 6bn cubic metres of gas annually from the Soviet Union, according to a trade protocol signed in Ankara on Tuesday.

The agreement, which runs for 25 years from 1987, envisages an initial supply of 1.5bn cubic tonnes a year rising to 6bn cubic tonnes by 1990. The gas will be supplied to the Istanbul and Izmit regions through a spur of the Soviet natural gas pipeline from Bulgaria. It is to be used for industrial projects including electricity generation and fertiliser production.

No details of the price have been announced but negotiations are understood to have been tough and protracted. In addition, Turkey agreed to increase the volume of its trade with the Soviet Union to an annual \$600m. Turkish trade with the Soviet Union has flagged badly since 1980, reaching only \$4.2m last year.

Turkey invites foreign power plant investment

BY DAVID BARCHARD IN ANKARA

FOREIGN companies are being invited to build and operate electrical power plants in Turkey, Mr Yusuf Baskurt, Ozal Under-Secretary for the state planning organisation, said yesterday. He said foreign companies interested in building either thermal or nuclear power stations would be allowed to operate them for periods of between 12 and 17 years, until they had recouped their capital.

Turkey, which faces a growing shortfall in energy production over the next two decades, is planning to boost its electricity production from 30bn Kw hours this year to 50bn Kw hours by 1989.

Mr Ozal said plants built by foreigners would have guaranteed income as a result of standing orders for their power from the Turkish Government. He said the arrangement would benefit Turkey as "the cheaper such plants operate the better the return for the firm operating them. They would make money and the Turks would make money."

Mr Ozal hinted yesterday that the financial difficulties over the Akkuyu project could be resolved by converting it to foreign investment. But he said a decision would depend on the requirement of the Turkish Atomic Energy Commission. "It is our first such plant and so very important to us," he said.

He gave no details of any discussions so far with interested foreign groups.

Mr Ozal's remarks come at a time when Canada's AECL and Kraftwerk Union of West Germany are awaiting a government award of the tender for the country's first atomic energy power station at Akkuyu on the Mediterranean.

KWU and AECL have been bidding fiercely for the contract over a year and have been dismayed by news that the government is also considering a late offer from Westinghouse and Mitsubishi. The plant, expected to be around 900 megawatts will take six years to build.

Mr Ozal hinted yesterday that the financial difficulties over the Akkuyu project could be resolved by converting it to foreign investment. But he said a decision would depend on the requirement of the Turkish Atomic Energy Commission. "It is our first such plant and so very important to us," he said.

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Gallup predicts a landslide election victory for Reagan

BY REGINALD DALE IN WASHINGTON

MR GEORGE GALLUP, the well known opinion pollster, has predicted that President Ronald Reagan will be re-elected by a landslide in November barring a major foreign crisis or a big change in the U.S. political climate.

In a speech at the university of Massachusetts on Tuesday, Mr Gallup said that his latest polls showed Mr Reagan with a 15 percentage point lead; 55 to 40 per cent over Mr Walter Mondale, his Democratic challenger. The margin was the widest since the 1972 election when President Richard Nixon routed his Democratic opponent, Mr George McGovern, Mr Gallup said.

He attributed Mr Reagan's com-

manding lead to his "charisma rating" of 42 per cent against Mr Mondale's 28 per cent.

He noted that although Mr Reagan's rating was very high it was lower than those of Presidents Eisenhower and Johnson at similar stages in their candidacies.

Mr Mondale's "charisma" rating was still higher than those of Presidents Carter, Nixon and Ford during comparable periods, he said.

A New York Times/CBS News poll published yesterday gave the Reagan-Bush team a 21 per cent lead, 54 to 33 per cent over the Mondale-Ferraro ticket. It suggested that Mr Reagan's forceful personal image was attracting support even

from many people who disagreed with him on fundamental issues.

Mr Mondale scored considerably higher than Mr Reagan when probable voters were asked whether the two rivals cared about people and were "physically up to the job." Mr Reagan was seen as a strong leader, by 74 per cent against only 41 per cent for Mr Mondale, and Mr Reagan received a rating of 45 per cent for being "highly intelligent" against an astonishingly low 30 per cent for Mr Mondale.

In general, the polls showed that twice as many people have a favourable impression of Mr Reagan as an unfavourable one, while Mr Mondale is viewed unfavourably by a ratio of 3-2.

Spain wins USAF contract

BY DAVID WHITE IN MADRID

THE U.S. has given a breath of oxygen to Casa, the Spanish state-owned aircraft company, by selecting it to take charge of the maintenance of U.S. Air Force F-15A fighters in Europe.

The Spanish concern is the only one to have been asked to present its bid for the work, after initial competition from British, Italian, West German, Belgian and Dutch companies. The U.S. currently has about 100 of the fighters based in Europe.

The deal, which is due to be negotiated in November, adds fuel to the debate about Spain's future in Nato. This comes to a head in the next few months in preparation for the referendum promised by the Social-

ist Government on whether to continue in the alliance.

U.S. officials confirmed that the work would only be given to a Nato country, a condition that applies to other defence co-operation contracts.

Casa's application for the contract was strongly pressed by the Spanish Defence Ministry. Top Spanish defence officials back continued membership of Nato both for reasons of military information and for development of the capacity and technological level of the Spanish arms industry.

U.S. officials said, however, that the choice of Casa was made strictly on technical merits and out of logistic considerations. The Spanish

company was the "only really suitable contractor" in view of the fast set up time required.

Casa said the decision was a reflection of its 30-year record of this kind of work, on behalf of the U.S. Air Force. The company currently maintains the U.S. Air Force Europe-based F-4 Phantom fighters.

The U.S. official denied that the decision was in compensation for the exclusion of Casa from a contract earlier this year for transport aircraft, awarded instead to Short Brothers of the UK.

The maintenance deal comes, however, as a boost for the Spanish company, which is currently facing protests over the lay-off of 1,300 of its 9,800 employees.

U.S. shuns export credit meeting

BY CHRISTIAN TYLER, TRADE EDITOR, IN LONDON

THE U.S. appears to be stepping up its campaign against the proliferation of export subsidies and alleged rule-bending by competitor countries.

U.S. officials refused to attend a meeting in Paris at the Organisation for Economic Co-operation and Development (OECD) to review the agreement that limits export credit competition.

As a result, the meeting was cancelled and is now due to take place next month. An OECD official said, however, it was "highly uncertain" that the October plenary session of the so-called Consensus on Export Credit Interest Rates would go ahead.

The U.S. apparently gave as the reason the need to give positive action by European and other countries to stamp out mixed credits and to honour the OECD code on concessional financing of exports.

Mixed credits are combinations of government aid and commercial credit used — especially by France — to win big project contracts in developing countries.

Officials speculated that the U.S. will not come to the table unless and until its OECD partners, particularly the EEC, commit themselves to the U.S. view.

The EEC has reacted with demands that U.S. financial subsidies on grain exports be put on the agenda.

Transatlantic differences have long plagued the Consensus, but the increasingly militant posture of the U.S. and its threats of massive retaliation have led to fears that the Consensus could collapse.

At present governments are on their honour to notify mixed-credit deals where the aid component is less than 20 or 25 per cent. The U.S. has been campaigning to get that trigger level raised to 30 or even 50 per cent.

The French, now copied by others, have denounced the effectiveness of including small amounts of aid in order to reduce the buyer's loan costs and to make French capital goods more attractive overseas.

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UK NEWS

Government warns over rise in unit wage costs

BY PHILIP STEPHENS, ECONOMICS STAFF

THE GOVERNMENT gave a stern warning yesterday over the impact of high wage settlements on the competitiveness of manufacturing industry.

The warning was prompted by a significant rise in Britain's unit wage costs in recent months.

Figures released by the Department of Employment show that wages and salaries per unit of output in manufacturing companies rose by an annual 8 per cent in July, nearly double the increase in the previous month.

Monthly figures are often distorted, but officials said that there had been a clear upward trend in unit costs so far this year.

In the three months to July the annual rate of increase was 5.5 per cent, up from 3.8 per cent in the three months to June. It compared with a rate of only 1.2 per cent in the last quarter of 1983.

Mr Tom King, the Employment Secretary, characterised the acceleration as a "most serious warning for the future of this country." The figures showed "a continuing yawning gap between us and our major competitors."

The minister said: "At a time when West Germany's costs have shown no increase, and when Japan



Tom King: concerns at effect on employment

sage with figures showing that in the first quarter of this year unit wage costs fell by an annual 3 per cent in the U.S. and by 5 per cent in Japan, against the 5 per cent increase in Britain.

The acceleration follows a sharp slowdown in productivity growth in manufacturing. It comes despite some signs that the growth in average earnings is beginning to slow.

Output per head in manufacturing rose by an annual 2.9 per cent in the three months to July, down from the peak rate of 8.4 per cent in the last three months of 1983.

That slowdown in turn reflects a combination of flat output and relatively stable employment in manufacturing industry in recent months.

The department said yesterday that job losses in manufacturing have now slowed to a monthly average of about 1,000, sharply down from the monthly figures of around 20,000 seen in early 1983.

The statistics also show that average earnings in the whole economy were rising by an underlying annual 7 1/2 per cent in July, down from the 7 1/2 per cent recorded in each of the six previous months.

For manufacturing, the figure fell to 9 per cent from 9 1/4 per cent.

nese and American costs have actually fallen, the warning could not be clearer. If we want to earn our way in the world we must stop paying ourselves more than we can afford."

The statement was seen as a reflection of the Government's growing concern that if earnings continue to outpace inflation at the present rate, there will be little if any scope for a fall in unemployment.

Officials in Whitehall were last night seen to reinforce that mes-

Policy on sterling supported

By David Lawson

BRITISH BUSINESS leaders supported the Government yesterday in its policy of refusing to boost the falling value of the pound against the dollar.

Sir James Clesminson, president of the Confederation of British Industry (CBI) said: "This is something we can live with because the pound has maintained its level against the basket of other currencies."

He said that the council of the CBI which met yesterday, felt that the Government was right not to try to boost the value of the pound.

"The commodity market has not directly followed the dollar. If it did, then we would have real problems," Sir James said. The weaker pound might have been a problem to the computer-related industry, but exporters to the U.S. such as his own company - Reckitt & Colman - had never had things easier.

Coal strike puts brake on recovery

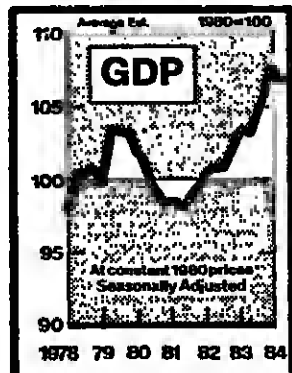
BY PHILIP STEPHENS

BRITAIN'S GROSS domestic product (GDP) fell nearly 1 per cent between the first two quarters of this year, according to official figures released yesterday.

The fall, the first since the beginning of 1983, was mostly the result of the miners' strike, but could also indicate some slowing in the pace of economic recovery.

The Central Statistical Office (CSO) said its average measure of GDP fell to an index value of 105.7 in the second three months of 1984 from 106.7 in the first quarter. The average measure evens out the three indicators of economic growth - output, income and expenditure - and is regarded by the Government as the best guide to the economy's overall performance.

The CSO said despite the fall, GDP in the second quarter was 2 1/2 per cent higher than in the same period in 1983. It estimated that without the miners' strike the increase on a year earlier would be 3 per cent, consistent with the Government's growth forecast.



Although the strike is having little effect on other industries it depresses the GDP figures because coal accounts for about 1 1/2 per cent of national output and because the dispute has cut the surplus on oil trade.

Officials agree, however, that even without the strike there would have been a small fall in GDP in the three months to June.

TRADES UNION CONGRESS URGED TO SUPPORT CASE FOR COALFIELDS STRIKE BALLOT

Thatcher digs in over miners' dispute

BY JOHN HUNT AND MAURICE SAMUELSON

MRS MARGARET THATCHER, Britain's Prime Minister, said yesterday that the Government could make no concessions over the issue of uneconomic coal mines - even if it meant the miners' strike continuing for a year or longer.

It doesn't matter how long this strike goes on, uneconomic pits will have to be closed," she said in a BBC radio interview.

In an interview with the Financial Times, Mr Peter Walker, Energy Secretary, defended the handling of the 28-week-old strike by Mr Ian MacGregor, chairman of the National Coal Board (NCB). He also brushed aside suggestions that the Government should now intervene in any negotiations for a settlement.

Mr Walker said he was confident that the electricity industry would have sufficient coal to see it through the coming winter without having to draw on any of the 20m tonnes of coal stockpiled at the pits.

Mrs Thatcher made it clear that the Government and the NCB were prepared to dig in their heels for a long struggle rather than give way on pit closures.

"We can't do anything other than close uneconomic pits. That has always been the case, and will continue to be the case, and must be the case if you are to have a good future for the coal industry."

Disagreement over how to define an uneconomic pit have so far blocked progress in talks between the NCB and the miners' union.

Again, Mrs Thatcher made a direct attack on violence and intimidation in the coalfields and challenged Mr Arthur Scargill, the National Union of Mineworkers' (NUM) president, to hold a ballot of his members, on whether the strike should continue.

Judging by her words, the Government's tactics seem to be to put moral pressure on the Trades Union Congress (TUC) not to assist the miners through industrial action unless such a ballot is held.

She maintained that the strike was being kept going by mob violence and the refusal to hold a ballot.

She believed, however, that "reasonableness would triumph" and that violence was repugnant to

working miners and to many of those on strike. All efforts had to be concentrated on trying to get a ballot of miners. She thought the TUC would be concerned to see that they did not support a union that was sustaining its case by violence and refusing to have a ballot.

Mrs Thatcher gave a warning that if the TUC was seen to be supporting violence and the ballot refusal then the standing of trade unionism in Britain would plummet. She also emphasised that the law would be enforced in the coalfields and that the nationalised industries were free, if they wished, to invoke the civil law.

She rejected the suggestion of Dr David Owen, leader of the Social

Democratic Party, that parliament should be recalled to pass a law forcing a miners' ballot. She said legislation coming into effect in a few days would enable action for damages to be taken against a union that called a strike without a ballot.

Mr Dennis Boyd, chief negotiator at Acas, the Government-supported conciliation service, yesterday headed talks with the NCB to review proposals made to the union at the talks which broke down last week.

Acas has already seen documentary evidence from the NUM on its negotiating posture. No further meetings involving Acas are planned for the time being.

Liberal Party assembly

Cruise compromise may unite delegates

BY PETER RIDDELL, POLITICAL EDITOR

A COMPROMISE proposal intended to unite the Liberal Party on the contentious issue of U.S. cruise missiles in Britain has been devised ahead of today's defence debate at the party's annual assembly in Bournemouth, South England.

The plan emerged yesterday as the assembly held its liveliest debate to date - on the miners' strike - and as Mr Roy Jenkins, the former Social Democratic Party (SDP) leader, sought to heal any divisions within the Social Democrat/Liberal Alliance.

The defence compromise has been prepared to bridge the gap between the demand of Liberal activists for the immediate removal of all cruise missiles from Britain and the preference of Mr David Steel, the party leader, for allowing the missiles to stay so far deployed to remain as part of a general freeze on nuclear weapons, pending their removal through negotiation.

The compromise is that the Liberals should demand the removal of cruise missiles "at the conclusion of talks with our Nato allies to secure the total removal of cruise and Pershing missiles, as a means of achieving a progressive reduction of nuclear weapons throughout Europe."

The compromise, looks likely to gain majority support in today's debate. Mr Steel was last night urged by close advisers not to intervene in the debate. In a BBC interview before the compromise was devised,

he repeated his opposition to disbanding either cruise or Polaris unilaterally.

The suggested compromise, with its implication of a unilateral Nato initiative on cruise and Pershing ahead of a Soviet response, goes further than the SDP leadership which, like Mr Steel, has stressed reciprocal disarmament by negotiation.

The highlight of yesterday's debates came in lively exchanges on the miner's strike when the Liberal leadership and Lord Ezra, a former chairman of the National Coal Board, jointly proposed a series of initiatives to create a framework for future negotiations. There were protests by a minority of delegates against "miner-bashing."

The official line, adopted by a large majority, attacked both the Government and the National Union of Mineworkers, while a call for an independent national ballot of miners was rejected.

Mr Roy Jenkins, a former president of the EEC Commission, was warmly received when he sought to stress the unity of the Alliance. His message was especially welcomed after the row on Tuesday over the references by Mr Bill Rodgers, the SDP vice-president, to equal allocation of parliamentary seats between the two parties. Mr Jenkins, the joint architect of the Alliance, called for a spirit of "enthusiasm, affection, respect and a bit of love, too, between the two parties."

Bonn's opposition to BCal threatens low-tariff plan

BY LYNTON McLAIN

THE GOVERNMENT is not prepared to approve the proposals from British Airways and Lufthansa for low fares between Britain and West Germany if the West German Government continues to block the more liberal proposals from British Caledonian (BCal).

This was made clear by the Department of Transport yesterday, two days after BCal had "made representations" to the department about the refusal of the West Germans to accept BCal's proposals.

BA and Lufthansa, the West German national airline, agreed in August to offer low fares with restrictions on their main routes. Cuts of up to a third off existing fares were

proposed with 14-day advanced booking and a requirement to stay Saturday night. The AFEX return fare between London and Frankfurt was planned to be £88.

BCal also proposed a £69 fare on the route, but with no advance booking or Saturday night stay requirement.

The West Germans blocked this proposal and wanted BCal to fall in line with BA and Lufthansa's more restricted fare schemes. The British Government favours unrestricted freedom of choice for airlines, and hence passengers, to do as they please on routes. The West German Government is more cau-

tious and less inclined to liberalise air services between the two countries to the same extent.

Officials at the UK Department of Transport are considering the issues raised by their meeting with BCal on Monday. A proposed strategy for dealing with the impasse will then be put to ministers in the department ahead of a meeting between West German and British officials on October 4.

This had been pre-arranged to discuss liberalisation of air services between the two countries. The BCal issue is certain to be raised at the meeting if it is not resolved before.

TWA steps up fares war

FINANCIAL TIMES REPORTER

THE BATTLE to increase the number of UK passengers flying to the U.S. in the face of a weak pound intensified yesterday when Trans World Airlines (TWA) of the U.S. said it planned to offer its UK passengers £39 all-in tickets for eight domestic U.S. flights.

Passenger traffic from the UK to the U.S. has been hit by the strength of the dollar, which has pushed up the cost of holidays in the U.S. for British travellers.

The cheap transatlantic winter fares which TWA also wants to introduce alongside with its £39 tickets have still not been approved by the UK and U.S. governments under their bilateral agreement. The

fares were filed with government authorities in July with the aim of being available from November 1, subject to 21 days' advance booking.

The cheapest Apex fare, from London to Boston would be £239 return. British Airways has filed fares at the same level.

With the additional £39 ticket, passengers who have flown to New York on a transatlantic return ticket could travel onwards to California and back, and make stops at eight of 57 other cities served by TWA in the U.S.

"We are very aware of the impact the strong dollar has had on British travel to the U.S. this year. We have decided the cure is to make an offer

too good to refuse," said Mr Timothy G. Brier, recently appointed TWA general manager in the UK.

TWA said that its fare proposals would leave the airline still operating at a loss over the winter period. Its low fares were designed to stimulate traffic and cut the TWA corporate loss from \$80m in the first quarter of this year to \$40m in the first quarter of 1985.

Virgin Atlantic, the small private airline which operates as a "cut-price carrier has already protested that the cheap-fare offers by the major airlines over the Atlantic could be "predatory" and could kill off its service.

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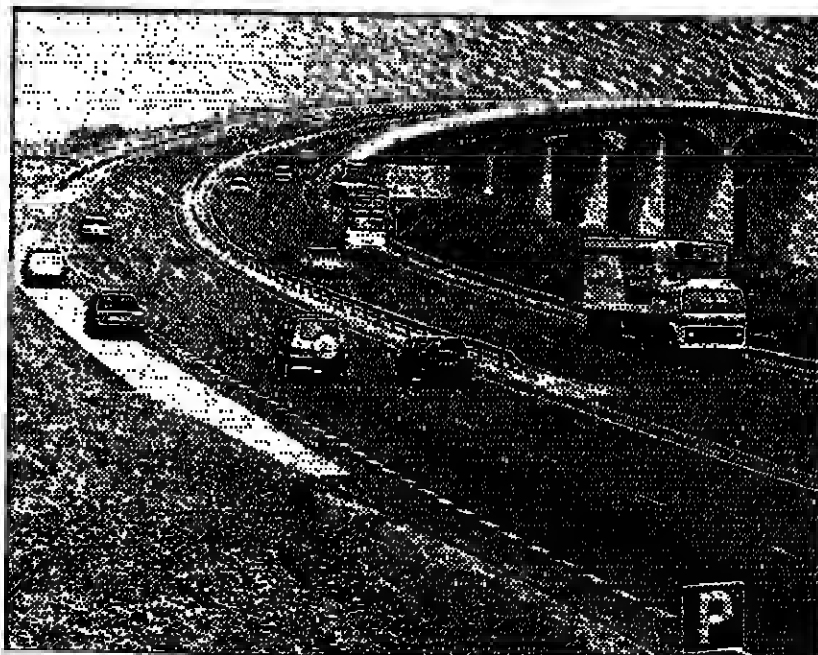
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The Chase Partnership at work with Rank Xerox in London in front of the new 10/20 copier. Shown from left to right: Michael Dunsmore, UK Electronic Banking; Mr. Garry Thomas, Director, Tax Treasury and Accounting, Rank Xerox; Mr. Vaughn Richter, Senior Treasury Dealer, Rank Xerox; Mr. Reg Sellers, Group Treasurer, Rank Xerox; Christopher Rocker, UK Corporate Manager; Carol Moore, UK Electronics Division.

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Product Innovation Advanced Technology Service People Global Network Electronic Banking

JOBS COLUMN

Confessions of an assessed personality

BY MICHAEL DIXON

"WELL it's immediately clear which one of you would make the worst manager," said occupational psychologist Peter Saville after a quick check of the score sheets. Then he slowly swivelled his piercing gaze across the assembled company. "Oh no—not again?" the Jobs Column thought.

Along with other journalists it had just been sampling the Saville and Holdsworth consultancy's new personality-assessment system. We were far from the first guinea pigs. More than 4,000 managers and specialist staff have been similarly processed during the four years the consultancy spent developing the system, called Occupational Personality Questionnaires, with the support of more than 50 leading employers.

Dr Saville, who led the project, says the OPOs constitute the world's first comprehensive system specially designed for use in selecting people for jobs. Personality characteristics are notoriously hard to pinpoint in an interview. But unless they are suited to the demand of the post in question, appointments or promotions are liable to go badly wrong, especially if the job is a senior one. The higher the level of work, the more likely it is that failure will be blamed on a personality misfit

rather than technical or intellectual shortcomings.

While personality tests have been used in recruitment for a long time, most of them were originally designed for a different purpose such as divining whether people are going bananas. That is why candidates for jobs as chief engineers or accountants and so on are sometimes puzzled by being asked whether they feel their soul is drifting away from their body.

The OPOs, by contrast, are very much down to earth. There are numerous versions, long and short, attuned to jobs of different degrees of complexity. In every case, however, recruiters wishing to use the system must first have staff trained to apply and interpret the questionnaires.

The version we took at the consultancy's headquarters (Windsor House, Esher Green, Surrey KT10 9SA; telephone 0372 66476, 67766, or 68634) was long, consisting of 188 of what Saville and Holdsworth calls "items." That is because they are not questions in the strict sense of the word. The victims are confronted with a statement and required to signify whether they strongly agree, agree, aren't sure, disagree or strongly disagree.

One item which discomfited several of the journalists was:

"I am always successful at meeting deadlines." Professional pride dictated that we should instantly strongly agree. But one pause for reflection, that we had better be honest and so declared ourselves unsure.

The 188 items assess 30 different aspects of personality which Dr Saville says the four years of research showed to affect performance in a wide range of managerial and technical and other specialist jobs, including selling. The standards against which the assessments are made are based on the responses of the thousands used as guinea pigs during the development work.

30 aspects

The first aspect measured is persuasiveness—to what extent the person enjoys selling, changes other people's opinions, is convincing in argument and so on. The other aspects are:

Controlling — takes charge, directs, manages, organises, supervises others.

Independent — has strong views on things, difficult to manage, speaks up, argues, dislikes ties.

Outgoing — fun loving, humorous, sociable, vibrant, talkative, joyful.

Affiliative — has many friends,

enjoys being in groups, likes companionship, shares things with friends.

Socially confident — pots people at ease, knows what to say, good with words.

Modest — reserved about achievements, avoids talking about self, accepts offers, avoids trappings of status.

Democratic — encourages others to contribute; consults, listens and refers to others.

Caring — considerate to others, helps those in need, sympathetic, tolerant.

Practical — down-to-earth, likes repairing and mending things.

Data-rational — operates on factual information, enjoys assessing and measuring.

Artistic — appreciates culture, shows artistic flair, sensitive to visual arts and music.

Behavioural — analyses thoughts and behaviour, likes to understand people.

Traditional — preserves well proven methods, prefers the orthodox, disciplined conventional.

Change-orientated — enjoys doing new things, seeks variety, prefers novelty to routine, accepts changes.

Conceptual — theoretical, intellectually curious, enjoys the complex and abstract.

Innovative — generates ideas, shows ingenuity, thinks up solutions.

Forward planning — prepares well in advance, enjoys setting targets, forecasts trends.

Detail-conscious — methodical keeps things neat and tidy, precise.

Conscientious — sticks to deadlines, completes jobs, perseveres with routine.

Relaxed — cool under pressure, free from anxiety.

Worrying — keyed up before important events, anxious about doing well.

Tough-minded — difficult to upset, can brush off insults, unaffected by unfair remarks.

Emotional control — refrains from showing feelings, avoids blowing top.

Optimistic — keeps spirits up despite setbacks, cheerful.

Critical — probes for the facts, challenges assumptions.

Active — enjoys physical exercise, doesn't sit still.

Competitive — plays to win, poor loser.

Achieving — sets sights high, career-centred, concerned with results.

Decisive — weighs things up fast, may be hasty, takes risks.

means that the system has spotted that, instead of responding straightforwardly, you were trying to cast yourself in a favourable light. Fudging of that kind is not always deliberate.

Some people are so keen to please that they do it unwittingly. They don't include many journalists, on the evidence of our showing at least.

Just in case any reader did not guess it at the outset, Dr Saville's award for the day's worst manager went to the Jobs Column. In 18 of the aspects, it was around the average for the thousands of people assessed during the trial period.

But it doesn't like companionship much and is not democratic. Nor is it considerate to others, practical or interested in forward planning or controlling other people.

To compensate, it isn't much interested in being controlled by them either, preferring to be left alone to be conceptual and innovative without showing its feelings and brushing off insults when need be. Fortunately, perhaps, it is good with words.

Fortunately, too, it takes all sorts to make a world, and it's equally true that not everybody can be managers. If they were, there'd be nobody left to get on with any actual work, would there?

Fudge check

Besides those 30, the OPOs assess another factor called "social desirability." But a high score on that one does not mean you're socially desirable. It

MERGERS AND ACQUISITIONS

Important European Bank in London seeks for its Investment Banking Department a person responsible for mergers and acquisitions.

The bank handles the direct investment programmes for major European and US companies. The applicant must have at least 4 years experience in formulating, negotiating and closing mergers and acquisitions on behalf of financial institutions in the UK.

Excellent salary and significant bonus and usual bank benefits are offered to the right candidate.

Prospective candidates are asked, in the first instance, to talk in confidence with our consultants: Attn. Mr. H. R. V. Wessel

NOEL ALEXANDER ASSOCIATES LTD.

International Advisers to Banks & Financial Institutions

70 QUEEN VICTORIA STREET, LONDON EC4N 4SJ

TEL NO. 01-248 2256

First commercial opportunity for a recently qualified ACA

to £18,000 + car

Following an overseas promotion, one of the UK's best-known consumer product groups has retained us to recruit an ACA to join its Central Finance team, based on the western outskirts of London.

Reporting to the Group Financial Controller, your main job will be to provide a comprehensive financial management service to Divisional Directors, as well as performing a wide range of tasks at Group level.

Ideally you will be a recently qualified graduate in your mid 20s, probably in a large professional

practice and looking for your first position with a major international enterprise. Knowledge of US accounting practices would be useful.

A very attractive salary and car are offered, and the prospects of broader responsibilities in a very substantial organisation are excellent.

Please send a detailed cv, including contact telephone numbers, in strict confidence to Peter Wilson, FCA at Management Appointments Limited (Recruitment Consultants), Finland House, 56 Haymarket, London SW1Y 4RN. Tel: (01) 930 6314.

Management Appointments Limited

Project Manager — Financial Services

Peterborough

£13,500 + car

Thomas Cook Financial Services, a subsidiary of Midland Bank, has achieved an impressive record of growth and profitability over the years, particularly in the Travellers Cheque field. Maintaining that success in highly competitive international markets, depends to a great extent on the introduction of new products, services and systems. Responsibility for that function lies with our Development Division.

Within that Division we now have an opportunity for an ambitious finance professional to join our New Product Development team as a Project Manager.

In this immensely varied role, you will be working at the forefront of the Financial Services Operation, taking responsibility for a number of projects and seeing them through from inception to completion. This will involve considerable liaison with operational departments, pinpointing areas of development potential and then

meeting, in full, the requirements of the project. The need is for a determined, commercially minded man or woman, of graduate calibre, with good all round professional experience gained in the Financial Services sector. An enquiring mind, a flair for marketing and a strong sense of initiative and innovation are also important qualities.

On offer is a salary of £13,500, a company car and all the benefits and opportunities expected of a major blue chip employer. Please write with full CV to Miss A. V. L. Wood, Personnel Manager, Thomas Cook Financial Services, Thomas Cook Group Ltd., P.O. Box 36, Thorpe Wood, Peterborough, PE3 6SB.

Thomas Cook

KUWAIT

A KUWAITI FOREIGN EXCHANGE COMPANY

with world-wide activities and correspondents, and member of a large privately owned group of companies, invites applications for the post of:

GENERAL MANAGER

to lead a team of professional executives and to manage the company's activities, including its different branches

These activities cover: Commodity Services (gold, silver, foreign exchange, financial futures, securities and other commodities); Retail Services (banknotes, drafts, transfer of funds, travellers cheques . . .); Financial and Investment Advisory Services.

The person eventually appointed will be 35 to 45 years old, have a good knowledge of the Gulf environment and a successful track record in high-level management in similar activities. Arabic language would be an advantage. An attractive compensation package is offered.

Please write in first instance including a résumé with a recent photo to:

MR. GEORGE A. NASSAR
ATTORNEY AT LAW
P.O. BOX 21192, SAFAT, KUWAIT
STATE OF KUWAIT

All applications will be confidentially treated.

WE REQUIRE

MATURE EXECUTIVES

With a sales background to offer a wide range of financial services. Income is not limited but solely commission.

Write to J. Ellis at
HILL SAMUEL LIFE AND INVESTMENT SERVICES LTD
50 Pall Mall, London, SW1 or Telephone: 01-630 1012

Major Merchant Banking Group

Senior Administrative Roles

Our Client wishes to make two senior appointments to maximise the strength of their central Administration Area and to plan ahead for a dramatic expansion and integration programme over the next two years.

Administrative Director

The person appointed will be responsible for the policy and implementation of a Centralised Administration group which will look after premises, the operation of centralised communication and information systems, and Group services such as purchasing, catering, transport, messengers, library etc. Responsibilities will include reviewing of the Administrative Services of the Group, the planning and integration of certain aspects including offices and total budgetary responsibility.

Candidates will probably, but by no means necessarily, be working in another Financial institution or large scale professional practice etc. Salary indicator £40,000 plus Car and Banking Benefits.

Computer Services Director

Our Client seeks an experienced and creative Computer Services Director who will head up the Technology area of the Bank which will include planning and implementation of new Computer Systems for accounting, management and other uses; responsibility for communication and information technology, office systems and interface with external settlement/accounting systems. Tasks will include a review of the current state of technology within the Group, evaluation of likely requirements for the future, establishing and agreeing such strategy and subsequent implementation. The salary is again likely to be in excess of £40,000 plus Car and Banking Benefits.

Please write initially in confidence to Colin Barry, Senior Partner, at Overton Shirley and Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD. Telephone: 01-248 0355.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

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Salaries ranging from £16,000 to £28,000 plus benefits

A major international bank, our client is rapidly expanding its Treasury Division. They therefore require high calibre Customer Dealers and Treasury Marketing Officers to play key roles in one of the most profitable divisions of the bank.

It is important that applicants are of graduate calibre, and exposure to a range of treasury products including options, futures and foreign exchange, is a significant advantage.

Those interested should phone Chris Smith on 01-404 5751, or write to him enclosing a full curriculum vitae at: The Banking and Finance Division, 23 Southampton Place, London W1A 2BP. Ref: 342L. Strictest confidentiality is assured.

MP

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MARKETING

OFFICER (UK)

Salary negotiable
Excellent benefits

Expanding international bank wishes to appoint an experienced marketing officer to assume responsibility for developing new corporate business. Candidates aged between 27 and 32 years will have had previous credit analysis training followed by similar marketing experience. Call Sylvia Homer on 01-236 0802/0808. ABACUS RECRUITMENT 30/31 Queen Street, London, EC4A

RESEARCH

ASSISTANT

Recent graduates with some work experience required by UK subsidiary of fast-expanding U.S. information services company. Ability to write and analyse data essential. Good prospects for someone eager to learn and take responsibility. Small office near King Bridge. Please write with c.v. to VENTURE ECONOMICS, 1-37 Thames Road, London, W8 3PF.

Appointments

Wanted

SWEDISH CITIZEN

male, 36, multilingual.

With excellent communicative and strong language capabilities, energetic, versatile, entrepreneurial approach, seeks challenging and rewarding international role. Write Box A2747, Financial Times 10 Cannon Street, London EC4P 4BY.

Tel: 01-267 4906

or write Box A2747

10 Cannon Street, London EC4P 4BY

FINANCIAL EXECUTIVE

British Chartered Accountant, FCA,

36, multilingual background,

strong language capabilities, energetic, versatile, entrepreneurial approach, seeks challenging and rewarding international role. Write Box A2747, Financial Times 10 Cannon Street, London EC4P 4BY.

CORPORATE FINANCE EXECUTIVES

c £15,000 + substantial benefits

Our client, an international Merchant Bank, seeks two additional members to join a team offering corporate advisory services.

One is likely to be a graduate Chartered Accountant who has trained in an international firm and will ideally have gained post-qualification experience of investigations work.

The other will probably be a numerate solicitor with 12 to 18 months' post-admission experience, preferably concentrating on corporate finance matters.

In both cases, applicants must be able to demonstrate an above-average level of academic and professional achievement.

To arrange an informal meeting at which these opportunities can be discussed in more detail, please contact Robert Digby B.A.

Badenoch & Clark

Recruitment Consultants
16-18 New Bridge Street, London EC4V 6AU
Tel: 01-353 1867

London based/Aged 28/32

Business Development Manager

Electronic Products and Services c£20,000

Our Client is the publicly quoted holding company of a highly successful group of companies operating in a fast growing industry sector. Today they are the leading force in their specialist field and have interests both in the UK and overseas. This position has been achieved by sound management combined with an aggressive acquisition and investment policy. Profits and sales (currently £25m) have grown dramatically in recent years.

The Company is seeking a Business Development Manager to identify further investment opportunities and to manage the implementation of those projects allocated to him/her. The job holder will also contribute to the Group's development strategy.

The job calls for sound judgement, investigative and negotiating skills combined with an ability to handle the detail of project implementation. Candidates, aged 28/32, will be Chartered Accountants or MBAs as well as offering significant relevant investment experience. They should also have relevant experience gained either in smaller companies or in Venture Capital/Corporate Finance institutions ideally with an emphasis on small to medium sized private company work.

Please write in the first instance to E. St. V. Troubridge, quoting ref: 576, at Overton Shirley & Barry, Prince Rupert House, 64 Queen Street, London EC4R 1AD. Telephone: 01-248 0355.

Overton Shirley & Barry
INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

Investment Management-Pension Funds

We require a fund manager at senior level with at least five years' experience of investment management (pension funds investment experience would be particularly welcome as would experience of marketing and investment research). There may be other opportunities as the result of the expansion of our business.

Our people are not selected on pure investment ability alone. Relationships with our clients are based upon ease of communications, mutual trust and understanding. Therefore, we consider that approach, personality and team capability are also essential ingredients in the make-up of a successful fund manager.

Highly competitive salaries will be paid depending upon individual ability and experience. Benefits are those you would expect from a major international merchant banking group, including low cost mortgage and free pension and life assurance.

Please write with full curriculum vitae to:
A. J. Hutton-Gore, Senior Personnel Officer,
Kleinwort Benson Limited, 20 Fenchurch Street, London EC3P 3DB.

KLEINWORT BENSON
INVESTMENT MANAGEMENT

U.K. Fund Managers

Our client, a leading Investment House is expanding its investment department to cope with the growth in funds under management and it is currently seeking to recruit two U.K. Equity Fund Managers.

- One of these vacancies is for a Fund Manager to manage a Smaller Companies portfolio and previous experience of managing such a portfolio is a pre-requisite.
- The other position is for a Fund Manager to manage a Special Situations portfolio and applicants for this position should be able to demonstrate a flair for successfully exploiting trading situations.

In addition to managing these trusts the successful candidates will be given analytical responsibility for certain sub-sectors within the Consumer Group area of the U.K. equity market.

Candidates for these positions are likely to be in the age range 25-30 with at least 3 years fund management experience and they must be able to present their ideas coherently both verbally and in writing. Promotion prospects within this organisation are excellent.

Interested candidates should apply in writing, enclosing a full curriculum vitae to Martin Constable, Michael Page Partnership, 23 Southampton Place, London WC1A 2BP quoting ref. 3422. Strictest confidentiality assured.



Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

TREASURY MANAGER

CHIEF DEALER

Age 27+ Sal £35,000

Prestigious International Bank seeks a well qualified candidate with a sound track record.

Experience at Chief Dealer level plus a knowledge of dealing in all currencies essential.

Main responsibilities however will be running the dealing team, day to day PR with Banks and Clients and marketing and developing new business. Full details from M & J Executive Banking Services.

588 0174

New Licensed Deposit Taking Institution

SENIOR BANKER

Douglas, Isle of Man

Our Client, a long-established City-based institution, is in the process of creating a new banking operation in the Isle of Man to provide a range of financial & lending services to its existing and potential clientele in both the private and corporate sectors.

The initial requirement is for a senior banker to assume responsibility for the bank's establishment, the development of deposits and the assessment and control of sound lending business.

This senior appointment will appeal to seasoned bankers, probably in their 50's, with a successful background in domestic, international or off-shore banking at management level. Integrity, initiative and imagination are considered to be key elements in a ground-floor opportunity which will be rewarded by a competitive salary in an environment offering attractive tax benefits.

Contact Norman Philpot in confidence on 01-248 3812

NPA Recruitment Services Ltd

60 Cheapside London EC2 Telephone 01-248 3812 3 4 5

Management Consultants Executive Search

Developing new markets - Developing new services

Major Accepting House

The current wave of innovative changes within the City community have led our client to a concerted recruitment campaign. At this stage they require suitable applicants for the following positions.

UK Corporate Banker

c£25,000+ benefits
An experienced U.K. corporate bank officer. Ideally credit trained with a U.S. or European Banking Group. Direct marketing experience essential. Age indicator: 25-30 years.

Corporate Finance

to £30,000+ benefits
Graduate Accountant, Solicitor or M.B.A. with 2-5 years experience within Corporate Finance Department, ideally within U.K. Merchant Bank. Age indicator: 27-32 years.

Bond Sales

c £25,000+ bonus + benefits
Young ambitious experienced Bond Sales specialist. Knowledge of specific country markets and second European language particularly useful. Age indicator: 25 years+.

Interested candidates should phone Roger Tipple MA (Manager) Banking & Finance Division on 01-404 5751 or write, enclosing a full curriculum vitae to: Michael Page Partnership, 23 Southampton Place, London WC1A 2BP quoting ref: 3423. Absolute confidentiality is guaranteed.



Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

Project Finance International Banking

We are seeking a person to join our Special Projects Group to be one of a small team responsible for marketing and developing the Bank's project related business and who will be expected to market and execute his/her own transactions.

The person appointed will have a sound financial background followed by a minimum of 3 years' comparable experience.

A competitive salary and benefits package will be available for the successful candidate.

The successful applicant will be someone who is familiar with the techniques of financing projects and who is attracted by a flexible, broadly focused approach to the area.

Please send a full c.v. to Sally Morse, Personnel Department, Saudi International Bank, 99 Bishopsgate, London EC2M 3TB.

البنك السعودي العالمي المحدود

Saudi International Bank
AL-BANK AL-SAUDI AL-ALAMI LIMITED

Corporate Taxation-Regional Coordinator

based Hampshire

Warner Lambert (UK) Ltd. is an important member of a \$3 billion international group with diverse interests in pharmaceuticals, health care products, toiletries and confectionery. The UK company, which also covers Eire and parts of Africa, has comprehensive manufacturing and marketing facilities and recent developments have included the opening of a new medical research centre in Cambridge.

This key position is within the Regional Finance Division at Eastleigh, Hampshire and reports to the Treasury Controller. The main responsibilities will include:

- Provision of tax planning advice to Corporate and Regional management
- Agreeing tax computations with the Inland Revenue
- Ensuring compliance with tax statutes (company and VAT)
- Maintaining expertise on UK, US, and Irish tax regulations
- Maximising the use of available tax credits

- Initiating tax saving plans. A relevant professional qualification is required, with at least 3 years' experience in taxation gained either in the profession or in industry. International tax experience would be an added advantage. Negotiation skills and the ability to master complex briefs are essential. Salary will be negotiated in line with experience and is supported by a range of financial and other benefits.

Eastleigh is an attractive location within easy reach of Winchester and Southampton, the New Forest and the Hants/Dorset coast. There are excellent road and rail links to London. Naturally, full assistance with relocation is available. Please send full personal and career details in the strictest confidence to Pamela Hill, Personnel Officer, Warner Lambert (UK) Ltd., Chestnut Avenue, Eastleigh, Hampshire, or ring her on Eastleigh (0703) 619777 for an application form.

WARNER LAMBERT

Computer Systems Development Project Manager

Lloyd's Insurance Market

c £18,000pa

Our client, a well established medium sized Lloyd's insurance broker, part of a larger group, is seeking an experienced DP professional to assume responsibility as Project Manager for the installation and implementation of a computerised word and data processing system. Applications are invited from positive, outgoing individuals who have been employed in financially related services industries and who are keen to develop a broad management role within the company. The successful applicant should have proven skills in organisation, communication and team management, data processing, office automation, internal consultancy systems, development and project management and is likely to be aged between 30-40. A sound knowledge of insurance broking activities would be an advantage together with a professional qualification.

In addition to the starting salary, our client offers a wide range of fringe benefits and excellent opportunities for career development within the group. Please write in the first instance to Stuart Rochester (Ref DH) giving full details of career to date, outlining how this relates to the main requirements of the position.

Neville Russell
Chartered Accountants

246 Bishopsgate London EC2M 4PB

INVESTMENT ANALYST

A City investment institution requires an analyst specialising mainly in small companies in the U.S. Occasional travel. Age 22-25. Previous experience preferred. Competitive salary and benefits.

Write with curriculum vitae to:

Box A.8726, Financial Times, 10 Cannon Street, London EC4P 4BY

Licensed Deposit Taker

seeks Graduate with Banking Degree, minimum 5 years' experience in Insurance Broking, good knowledge of Accounting, fluent in Farsi and English, good references essential.

Salary £7,500 pa (gross) prospect of profit-sharing scheme £2,500 (gross) pa. Travel expenses for UK applicants for pre-arranged interviews paid by Co. Write Box A8726, Financial Times, 10 Cannon Street, London EC4P 4BY

Banking Recruitment Consultants

The Jonathan Wren Group is the acknowledged market leader in the field of banking recruitment. As a result of continued expansion, we now seek two additional consultants to join our highly successful team.

Applications are invited from ambitious and self-motivated banking personnel officers with experience of recruitment at a senior level or from banking consultants with proven success in executive selection.

Responsibilities include preparation of job specification, and assessment and selection of candidates. The successful applicants will also be expected to develop and maintain client relationships and it is therefore important that candidates possess good communicative and interpersonal skills.

This represents an interesting and challenging opportunity with ample scope to conceive and implement new ideas. A competitive base salary is offered, coupled with an excellent performance-related bonus.

Please telephone or send a detailed Curriculum Vitae to Brian Gooch, Director, or Roy Webb, Director, Jonathan Wren & Co Ltd., 170 Bishopsgate, London EC2M 4LX, tel: 01-623 1266.

Jonathan Wren
BANKING APPOINTMENTS

Deposit and Futures Dealer

A Deposit Dealer with Futures experience is required to develop eurocurrency and futures operations within N.M. Rothschild & Sons.

The position will require experience of the futures market and around two years' experience of deposit dealing.

Applicants must be able to demonstrate their ability to develop the futures aspect of our operations. It is likely that the person appointed will be in the age range 23 to 30.

An attractive remuneration package will be offered, which will include profit-sharing, housing assistance and a competitive basic salary.

If you are interested, please send full details of your career to date to:

The Personnel Manager, N.M. Rothschild & Sons Limited,
New Court, St Swithin's Lane,
LONDON EC4.

N.M. Rothschild & Sons Limited



Senior Banking Appointment

City of London

The Co-operative Bank plc, amongst the most successful and dynamic of U.K. banking organisations, needs to secure the future forward thrust of its development in the City of London by the appointment of a **GENERAL MANAGER**, to take over responsibility from Mr. D. C. Maxey who retires in January 1985.

The job holder will report directly to the Chief General Manager of the Bank and will be responsible for the control and expansion of City based operations, including treasury, dealing, international and wholesale banking functions.

Based at the Bank's Cornhill office, this appointment carries the prospect of Board appointment in due course and the successful candidate will join the established senior management team driving this expanding Clearing Bank.

There is an appropriate Clearing Bank reward package that will match the major responsibilities attached to this appointment.

Candidates, who will already have a significant track record in the Banking sector should, in the first instance, apply confidentially to:

Mr. L. Lee, Chief General Manager, Co-operative Bank plc,
P.O. Box 101, 1 Balloon Street, Manchester. M60 4EP.

We are an equal opportunity employer.



The Royal Institution of Chartered Surveyors

Appointment of Secretary-General

The RICS is the leading body of the profession of the land in the United Kingdom. It has 72,000 members and employs 200 staff, of whom the Secretary-General is the chief executive and principal adviser to the Officers, Councils and Committees.

The interests of the Institution include the planning, valuation, development, marketing and management of land and buildings, both urban and rural, construction cost economics, building technology and surveying and mapping (including mineral and hydrographic surveying). Over 9,000 members practise overseas in more than 100 countries.

Applications are invited for the post of Secretary-General which falls vacant in July 1985.

Preferred age 40-50 years (retirement at 60)

Salary not less than £35,000 pa

Pension arrangements by negotiation

Forms of application together with further information about the RICS and the post may be obtained from: The Secretary-General, The RICS, 12 Great George Street, Parliament Square, London SW1P 3AD. (Telephone 01-222 7000).

Closing date 31 October 1984.

Guidehouse

CORPORATE FINANCE EQUITY SYNDICATION MANAGEMENT BUYOUT

MERGERS AND ACQUISITIONS

LEASE AND LOAN FINANCE

OVER-THE-COUNTER DEALING

DEVELOPMENT CAPITAL

Guidehouse Limited is a well established Issuing House having advised on well over a hundred buy-outs, syndications and acquisitions in its first four years. Fee assignments are usually in the UK where Guidehouse has strong provincial links, although assignments have been carried out in the U.S.A., Europe and Africa.

Four top people are now sought in any of the specialities shown. Positions created by expansion are likely to appeal to Directors, Managers or Executives in Merchant Banks or the Corporate Department of Stockbrokers with USM and syndication experience. Legal or accounting experience helpful.

The salary, equity and syndication package will attract the best people.

Apply in confidence (ring or write) to:

The Chairman (Ref JD)
Guidehouse Limited
Vestry House
Greyfriars Passage
Newgate Street
London EC1A 7BA
Telephone: 01-606 6321

Spearhead our Expansion

This major European banking group is poised to further extend and develop its UK and International exposure and currently provides a complete range of banking services to a broad client base. Established in the City for many years the spearhead of this planned expansion prompts two key appointments in the lending area.

Assistant Manager UK/International Lending c £22,000

As part of the management team you will be totally committed to further expanding the product line and client base. Taking complete charge in the absence of the Manager, your duties will include taking a global view of the loan portfolios, providing direction, motivation and support, servicing your own client base and being a central liaison figure between all departments.

Aged 30-35, preferably a graduate with good French, you are an experienced banker with a minimum of eight years in lending/marketing and have a broad knowledge of all loan related proposals. Ref. 7338.

Lending Officer UK Corporates c £16,000

Secure your future promotion by using your knowledge of credit applications, loan administration/documentation and marketing flair. As part of this small closeknit lending team, you will have a minimum of five years' lending/marketing experience and be responsible for identifying and extending your client base by marketing current and new products.

Aged 28-32, a graduate with creative, aggressive and personal skills, you will be an integral force in the development of this progressive organisation. Ref. 7339.

Both positions offer excellent career prospects together with competitive salaries and banking benefits. Please telephone or write quoting the relevant reference number in complete confidence to Carmina Leon of Cripps, Sears and Associates Limited, Personnel Management Consultants, 88/89 High Holborn, London, WC1V 6LH (Telephone 01-404 5701).

Cripps, Sears

Morgan Grenfell & CO. LIMITED

Deputy to the Head of Financial Analysis

We are seeking a Senior Analyst to work within the Financial Analysis Department of the Bank. The department, which is part of the Central Management Division, is involved in the vetting of corporate and sovereign risk proposals and advising on lending structure.

The successful candidate will report to, and deputise for, the Head of Financial Analysis and in addition to normal analytical duties will be expected to be involved in the training and development of less experienced graduate staff.

Academically first rate, from a leading university, you will have experience in corporate lending analysis in both country and corporate risk. A previous training role or knowledge of computerised systems would be useful.

Career opportunities will be excellent and remuneration highly competitive to include such benefits as a preferential mortgage scheme, non-contributory pension scheme and free BUPA.

Applications, including full CV, should be sent to: Sally Barnes, Personnel Officer, Morgan Grenfell & Co. Limited, 23 Great Winchester Street, London EC2P 2AX

Fund Management £12,000 to £25,000

A major UK insurance company launching a new range of unit trusts later this year, seeks experienced individuals at all levels to augment their progressive investment management operation. Experience of the unit trust industry is essential.

European Analysis/Sales £20,000 Plus

A major UK stockbroking firm seeks an analyst to help develop their well established European Department. Although experience of European Markets is not necessary a track record in a sector is essential. Prospects for the right candidate, who will be fluent in at least one European language, are excellent.

Institutional Sales £15,000 to £40,000

A number of our clients, leading names with excellent research products seek both young salesmen with one to three years experience and thoroughly experienced executives who may be lured by greater security, rewards and partnership prospects.

USM/Smaller Companies c. £15,000

Analyst probably aged 25 to 30 to take over well established coverage of USM/Smaller companies for a major firm of UK Stockbrokers. Whilst direct knowledge of the sector is not essential, proven experience of investment analysis is.

For a confidential discussion about these or many other positions with Stockbrokers and Institution please contact Stephen Embleton or Elizabeth Evans.

Stephens Associates

International Recruitment Consultants
44 Carter Lane, London EC4V 5BX. 01-236 7387

VOLKSKAS LIMITED

Young Ambitious Money market dealer required for expanding London operation.

Candidates should have a minimum of three years dealing experience and an overall knowledge of the London market.

Salary negotiable.

Please write or telephone C. J. Wilkins, Volkskas Ltd, 52/54 Gracechurch Street, London EC3V 0EH. 01-626 7800.

Elder Statesman

(We also have a vacancy for a Search Consultant)

Are you a top industrialist seeking a part-time or retirement appointment? Due to a bereavement, we seek a replacement figure, based in Windsor, who has broad international connections, possibly business school ties, and a propensity for marketing. A capacity to broaden relationships with clients and to assist with annual promotional activities are key requirements.

If you are interested, please contact: Peter Barnett at Head Office, Providence House, River Street, Windsor, Berkshire. Telephone: 96224.

Barnett Consulting Group

A CHANGE IN DIRECTION

If your career is at a dead end and you are considering a change of direction this could be the opportunity you are looking for.

Self-assured people with ability and business acumen are needed by our Chess Office to train for new careers in financial services (of which life assurance plays only a part). Exciting opportunities for personal success and career development are linked with excellent training and the prospect of a very high income.

Without obligation, find out about our direction.
01-661 7711

FLOATING RATE NOTES

TOP REMUNERATION PAYABLE
TO SALESPERSON

who is conversant with all active participants in the Floating Rate Note Market and capable of expanding retail business.

Write in confidence with personal details to

Box A.8738, Financial Times
10 Cannon Street, London EC4P 4BY

ADMINISTRATION OFFICER

A busy City based company requires an Administration Officer to control office expenditure, compile budgets, purchasing of equipment and general office administration.

Prof. 35-45 with relevant experience. Good salary and benefits

Write with curriculum vitae to:
Box A.8724, Financial Times, 10 Cannon Street, London EC4P 4BY

INTERNATIONAL CORPORATE FINANCE

European Banking Company is the international merchant bank of the EBIC Group whose shareholders comprise of seven of the largest commercial banks in Europe.

The bank's origins, and its successful record of innovation and growth in international financing, give it exceptional potential to develop equity financing, new issues, mergers and other corporate finance activities on a pan-European basis.

There are outstanding prospects for executives to join the bank's growing international corporate finance team in London.

Successful candidates, ideally aged between 28 and 33, will have had several years experience in the corporate finance department of a leading merchant bank or stockbroker in the City. They must have the capacity to develop, innovate and implement transactions. They are likely to be graduates and/or professionally qualified. Experience in another financial centre and fluency in a second language would be considerable assets.

Salary and related benefits will fully reflect both the challenge and expectations of ambitious executives.

All replies will be treated in strict confidence. They should be marked for the attention of Michael Knight and sent to the Corporate Consulting Group, 24 Buckingham Gate, London SW1 6LB.

CCG

Corporate Consulting Group

LEASING MANAGER

London

Due to a continued involvement in leasing, Cable and Wireless requires a Leasing Manager, with highly developed communication and administrative skills, to join a small team responsible for all aspects of the business undertaken by several subsidiaries.

Responsibilities will include:

- assisting in the acquisition of new business
- the evaluation and negotiation of proposals
- the preparation of related legal documentation
- financial administration and reporting, including business forecasts and plans

- providing assistance in the funding and timing of leasing

Applicants should have wide experience of the UK leasing market, particularly the "big ticket" sector. Knowledge and experience of Project/Export Finance is highly desirable and a professional banking/accounting qualification would be an advantage.

A negotiable remuneration package commensurate with the level and responsibility of this position is offered. Please send full details, quoting ref R299, to: Recruitment Manager, Cable and Wireless plc, Mercury House, Theobalds Road, London W1X 8BX or telephone for an application form on 01-405 4980 (24 hrs).

Cable and Wireless
WE'VE GOT CONNECTIONS

ASSISTANT PORTFOLIO MANAGER

A London based international organisation urgently requires an Assistant Portfolio Manager in his/her 20s with experience in the European Market. Good Salary and Benefits. Candidates should apply with Curriculum Vitae to: Box A8725, Financial Times, 10 Cannon Street, London EC4P 4BY



Taxation Manager Epsom, Surrey

Petrofina (UK) Limited, a subsidiary of Petrofina S.A., the largest public company in Belgium, has interests in all major oil related fields through its UK group of companies. The company is seeking to appoint an experienced tax specialist with the following attributes: Preferably ACA and/or ATT with at least 4 years UK tax specialist experience, although graduates of other disciplines who meet all technical requirements should not be discouraged from applying. The enthusiasm and communicative ability to manage the tax section and assist in the training of junior staff. The role will involve the provision of expertise in all tax areas for the Petrofina (UK) Group often working to tight deadlines. Emphasis will be placed on the individual's ability to run, on a day-to-day basis, the tax section and, in addition, provide practical solutions to tax problems that will meet with the acceptance of the Revenue. The successful candidate will report to the Manager, Taxation and Audit, but tax planning and organisation will involve close liaison with Petrofina S.A. in Belgium. A competitive salary is offered plus the usual large company benefits. Interested applicants should contact Lindsay Sugden, ACA, Taxation Division on 01-405 0442 or write to her at 31 Southampton Row, London WC1B 5HY.

Michael Page Partnership International Recruitment Consultants London New York Bristol Birmingham Manchester Leeds Glasgow

CHIEF ACCOUNTANT

Foreign Exchange & Money Market Operations

Our Client, the London based dealing operation which forms part of a significant and distinguished multi-national trading organisation, seeks a qualified Accountant to assume control of the financial aspects of all trading activities, in addition to the normal accounting functions. Candidates, probably in their late 20's/early 30's, will be Chartered Accountants with previous responsibility for FX and money market accounting acquired from within an active international bank. Experience of cash instruments, financial futures and currency options would be particularly advantageous. This can be seen to represent a challenging and highly attractive opportunity for a self-starter who relishes a close involvement in the international currency markets, and will be rewarded by a competitive salary and traditional City benefits.

Contact Norman Philpot as advisor to the Company on 01-248 3812

NPA Recruitment Services Ltd

60 Cheapside London EC2 Telephone 01-248 3812 3 4 5 Management Consultants Executive Search

AUSTRALIA Stockbroking

If you are dissatisfied with your present position and want a challenge, we want to hear from you. We are an Australian stockbroking house with important and valuable international connections and require a person, in London, to replace a returning Partner. The respondent to this advertisement must have a working knowledge of the Australian stockmarket. A dealing mentality is a prerequisite; it is also important to be able to communicate and advise senior investment managers, for which our Head Office will provide essential back-up research. Serious consideration would be given to a team interested in working in the changing Australian investment environment. If you are well known a c.v. is probably not essential; if you think we have not heard of you then please provide one.

Please apply, in writing, to: SOMERSET & CO. 19 Woburn Place, London WC1H 0LU Reference: Australian Stockbroking

INTERNATIONAL BANKERS

ACA LAWYER MBA

Our clients, the leading Merchant and Investment Banks in the City, require exceptional candidates with relevant qualifications. Opportunities exist within the capital markets, corporate finance, project finance and investment banking areas. We would like to meet candidates in their twenties with a good degree and a professional qualification or an MBA, with or without banking experience, to discuss the opportunities. For further details please write to or telephone:

Rochester Recruitment Ltd, 21 College Hill, London EC4R 2RP Telephone: 01-248 8346

ELECTRONICS OPERATIONS

£30,000 to £35,000 p.a.

This premier electronics systems manufacturer is making a key strategic appointment to address the need for world competitive standards of operations technology and performance.

The task is to establish an optimum base for several high value complex product lines, directing and co-ordinating the contributions of materials and procurement, advanced manufacturing engineering and facilities and capital planning. A professionally qualified manufacturing engineer is required with a strong assembly operations management capability and the potential to succeed to a directorship.

Age indicator: 35-45 Base Location: London

Applicants are invited to respond, in confidence, by handwritten letter and a full resume to Trevor Lee, MD of EPI, who is advising.

E. P. INTERNATIONAL (Advertising - Search - Selection) 46, Pall Mall, London SW1Y 5JG

Spot Dealer

c.£20,000 - Bank Benefits

A young and ambitious Spot Dealer is required by a leading international U.S. bank. You should be aged between 22 and 26, and have gained two years' experience of handling a wide range of currencies in an active dealing room.

This position will ideally suit a dynamic young Dealer, with untapped potential, who seeks a move to a first rate name in the Foreign Exchange markets.

For additional information please contact Trevor Williams, in complete confidence, on 01-481 3188.

CHARTERHOUSE APPOINTMENTS

CHARTERHOUSE APPOINTMENTS LIMITED EUROPE HOUSE - WORLD TRADE CENTRE - LONDON E1 3AA - 01-481 3188

THE ROYAL LONDON

AN OPPORTUNITY IN FUND MANAGEMENT

The Royal London Mutual Insurance Society has, through expansion, created a new position within its small and successful investment management team. Applicants should be in their early twenties and have at least an upper second class honours degree in Economics. In addition applicants should be engaged, after a short period of training, in both research and dealing in connection with a large portfolio of micro-computer programming would be an advantage.

As a member of this team the successful applicant would be engaged, after a short period of training, in both research and dealing in connection with a large portfolio of Stock Exchange Securities.

This opening offers a competitive salary, interesting and varied work and the prospect of a challenging and attractive career to the right person.

If you are interested, please write, enclosing c.v. to:

The Investment Manager, THE ROYAL LONDON MUTUAL INSURANCE SOCIETY LIMITED, Royal London House, Finsbury Square, London EC2A 1DS.

INDUSTRIAL RELATIONS EXECUTIVE London—the City

The Financial Times, Europe's Business Newspaper, is currently seeking to appoint an Industrial Relations specialist.

The company employs approximately 1,700 staff in London and the position involves contributing to the provision of a full range of industrial relations services covering both printing and white collar staff. The specialised nature of industrial relations in the newspaper industry demands a high level of negotiating skills, decision-making and interpersonal skills as well as the ability to operate effectively in a highly pressurised environment. Although previous experience in the newspaper industry will be an advantage, the successful applicant will have substantial experience of negotiating with industrial unions.

Applicants should ideally have a degree or equivalent professional qualification, be numerate, articulate and must be willing to work erratic hours. Those earning below £13,000 are unlikely to have the necessary experience.

Please apply in writing with full cv to:

Mr S Oram Industrial Relations Director The Financial Times Broken House 10 Cannon Street London, EC4P 4BY

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

BOND SALES EXECUTIVES

£ EXCELLENT

On behalf of our client, a young, expanding and particularly successful International Securities House, we are seeking a number of Entrepreneurial Sales Executives for the Euro and domestic bond markets.

You should have two years' bond sales experience, although the geographical area is not important. You should be self-motivated and self-confident and possess a high standard of professionalism. For the right people the financial rewards will prove to be among the highest in the market.

If you feel you are the right person and would be interested in discussing these opportunities further, please contact Christopher Lawless B.A. or Stuart Clifford B.A.

Badenoch & Clark

Recruitment Consultants 16-18 New Bridge Street, London EC4V 6AU Tel: 01-353 1867

CHIEF EXECUTIVE

Consumer Products Division

The Consumer Products Division of McKechnie Brothers plc — a medium size international Public Company — has a number of subsidiaries whose brands are household names. Its activities are important to the future growth strategy of the Group and a Chief Executive capable of realising its potential is to be appointed.

Candidates should have experience both of General Management and of High Street marketing at senior level. The preferred age is 35-45, giving scope for further advancement in the Group.

Total emoluments are negotiable but will not be less than £30,000 per annum with normal fringe benefits.

Please reply to The Chairman, McKechnie Brothers plc, Lighthwood Road, Aldridge, Walsall, West Midlands WS9 8DS.

McKechnie Brothers plc

General Manager

REQUIRED TO TAKE CONTROL OF RETAIL BUSINESS WITH SUBSTANTIAL CASH TURNOVER

The right man or woman will have a strong marketing background, an eye for details, and able to recruit, train and motivate staff. Full profit responsibility is to be assumed and an immediate start is envisaged. An unusually attractive package is available to the person proving successful in the position.

Reply to Box A8744, Financial Times 10 Cannon Street, London EC4P 4BY

FINANCIAL CURRENCY

Trader/Dealer

Foreign currency based business trading from worldwide locations seeks banker, commodity broker (or similar), to co-ordinate its foreign currency arbitrage and note dealing. There are no limitations on either salary or prospects for the person who is able to undertake and successfully develop this aspect of our business. The position involves substantial travel and also provides a unique opportunity to a particularly ambitious and determined individual.

Reply to Box A8740, Financial Times 10 Cannon Street, London EC4P 4BY

SENIOR CREDIT ANALYST

We are an established and highly successful international bank based in the City and currently have a vacancy for a Senior Credit Analyst to join one of the two small teams of experienced analysts within our Credit Department. This post offers excellent career prospects.

Aged 25+, the successful applicant will have ideally completed a formal training course on credit analysis within an international bank, supported by at least two years' practical experience. The ability to communicate effectively is important and a facility for languages, particularly Spanish and/or Portuguese, is highly desirable.

Salary and benefits will be commensurate with experience. Applications will be treated in strict confidence. Please telephone Lynn Temple on 01-606 0631 for further details, or write to:

LIBRA BANK LIMITED Bastion House, 140 London Wall, London EC2Y 5DN

DESIGN & FURNISHING MARKETING DIRECTOR

Homeworks is a well established growing, U.K. business with significant turnover abroad. It consists of four main parts: interior design and contract furnishing, a large showroom and the wholesaling and retailing of fabrics and furniture.

The Marketing Director will plan, direct and develop the sales and marketing effort to meet a major expansion programme. Candidates should have sound experience of relevant markets and marketing management. He/she must have a successful record of personal business development.

This new appointment, based in London, will command an attractive salary and car, with real prospects of substantial earnings growth, commensurate with results achieved. Please write in confidence to Robin Guild, Managing Director, Homeworks Ltd, 107a Pimlico Road, London SW1W 8PH.

Corporate Finance Executive

London Salary - negotiable

We want to expand our corporate finance team, and are looking for a chartered accountant, lawyer or business graduate to advise our corporate clients on takeovers, mergers, acquisitions, disposals, management buyouts, flotations and fund-raising.

You should have post-qualification experience in investigations, business service or corporate advice in a professional firm, broker or merchant bank. Ideally, you should also have a good practical knowledge of company law and taxation.

Future advancement will be limited only by the successful candidate's ability. Please reply with a detailed CV to: Richard White, Director of Corporate Finance, Clark Whitehill, 25 New Street Square, London EC4A 3LN.

Clark Whitehill Chartered Accountants

A direct line to the executive shortlist

InterExec is the organisation specialising in the confidential promotion of Senior Executives. InterExec clients do not need to find vacancies or apply for appointments. InterExec's qualified specialist staff, and access to over 100 unadvertised vacancies per week, enable new appointments at senior levels to be achieved rapidly, effectively and confidentially.

For a monthly exploratory meeting telephone:

London 01-930 5041/8 19 Charing Cross Rd, WC2. Birmingham 021-632 5648 The Rotunda, New St. Bristol 0272 277315 30 Baldwin St. Edinburgh 031-228 5680 47a George St. Glasgow 041-332 3672 180 Hope St. Leeds 0532 430243 12 St. Paul's St. Manchester 061-226 8409 Faulkner Hse, Faulkner St.

The one who stands out

THE ROYAL LONDON

SENIOR FUND MANAGER - OVERSEAS SECURITIES

The Royal London Mutual Insurance Society is seeking a Senior Fund Manager to take charge of the Overseas Stock Exchange investments of both the long term funds and the performance funds managed by the Society.

This is a senior position which would be based in the Finsbury Square City office and carries a competitive salary, excellent fringe benefits and good prospects for promotion to the right person.

The successful candidate will ideally be aged around 30, will possess a university degree or a professional qualification and will have not less than 5 years of general investment experience with at least a couple of years experience of overseas equities.

If you are interested, please write, enclosing your c.v. to:

The Investment Manager, THE ROYAL LONDON MUTUAL INSURANCE SOCIETY LIMITED, Royal London House, Finsbury Square, London EC2A 1DS.

CHIEF EXECUTIVE

For a rapidly developing retail and financial operation with 25 outlets in Europe, the Far East and shortly in the U.S. The man or woman we're looking for has already gained a comprehensive experience in marketing and sales and is able to recruit, motivate and energise various nationalities in dispersed locations. He or she should also be able to deal with professionals and business relationships at all levels. The candidate should be aged around 35-45 and be able to travel freely and extensively. A substantial package is to be agreed and the prospects are singular.

In the first instance reply to Box A8745

Financial Times, 10 Cannon Street, London EC4P 4BY

CJA

RECRUITMENT CONSULTANTS
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

A career emigration appointment—or a 3 year contract with possibility of renewal. Good prospects exist of a senior management appointment in 12-18 months.



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LARGE MULTI-FACETED LIFE ASSURER

The company underwrites all classes of group, ordinary and industrial business throughout Southern Africa and enjoys the distinction of insuring more lives than any other organisation in the country. Openings exist in their Head Office in Cape Town for senior students who have one, two or three examinations still to complete or newly qualified actuaries. Depending on aptitude and experience, the successful applicants will be placed in the pensions or life divisions. Continuous formal management training will be provided and the company operates a sophisticated on-line computer system in support of technical departments, also a very generous support programme for students including in-house tutoring and generous study leave. Salary negotiable, R.34,000-R.40,000, income tax 25%-30% approx. (the purchase power of the Rand equates to approximately 70p.), + car, subsidised house purchase scheme, relocation costs and resettlement allowances. Applications in strict confidence under reference SA54285/FT, to the Managing Director:

A wide-ranging and developing role.



ASSISTANT MANAGER—PERSONNEL

LONDON £14,000-£16,000

INTERNATIONAL BANK

We invite applications from candidates, aged 28-33, with at least 3 years' experience in personnel, payroll and benefits administration, ideally in a bank, financial institution or international company. The successful candidate, assisted by an efficient team of three, will have responsibility for the smooth-running of the personnel and payroll administration for over 150 UK and overseas staff. Important will be ensuring the timely and accurate payment of London and overseas salaries (on a manual system), benefits, producing monthly/quarterly management information and assisting seconded staff with visas etc. This is an excellent opportunity to demonstrate management skills, innovative flair, attention to detail and a team spirit in a varied and challenging appointment, where numeracy and communication skills are important. Initial salary negotiable £14,000-£16,000 + mortgage subsidy, non-contributory pension scheme, free life assurance and free BUPA. Applications in strict confidence, under reference AMP4289/FT, to the Managing Director:

CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED,
35 NEW BROAD STREET, LONDON EC2M 1NH. TELEPHONE: 01-588 3588 or 01-588 3576. TELEX: 887374. FAX: 01-438 9216.

Unit Trusts Manage Private Investor Marketing

Do you have a background in equities, unit trusts or unit linked investment? Could you run a department responsible for marketing unit trusts to the public? If so take this opportunity to join one of the largest UK investment companies where prospects for further advancement are excellent.

Probably in your late twenties or thirties you have experience of marketing financial services to the public and will ideally have had some supervisory experience. You are well organised, highly motivated and capable of achieving results in a dynamic and informal environment.

Reporting to a Director you will be responsible for managing 7 staff as well as personally providing a wide range of investment advice to existing and new private investors. An important aspect of the job will be to develop new ideas for direct marketing to individuals.

Salary will be in the range £15,000 to £20,000, plus bonus, BUPA, excellent contributory pension scheme and life assurance. To apply telephone or write enclosing a cv to Barbara Lord of Cripps, Sears and Associates (Personnel Management Consultants), 88/89 High Holborn, London WC1V 6LH. Telephone 01-404 5701 (24 hours).

Cripps, Sears

City Recruitment Consultants

BUSINESS DEVELOPMENT EXECUTIVE

c. £10,000 - £12,000

A leading firm of Chartered Accountants wishes to appoint an additional Marketing Executive (age 23-28) to join a small team concentrating on the further development of their client base.

This is a challenging post for someone with excellent communicative skills, imagination and commercial acumen. Responsibilities include:

- ★ researching and developing marketing opportunities
- ★ assisting in the production of brochures and seminars liaising with the firm's Public Relations and
- ★ Advertising Consultants

Although it is anticipated that most applicants will be graduates with marketing experience and a working knowledge of the accountancy profession, other applicants with related experience, creative potential and the ability to work in a conservative environment will also be considered.

For further details please contact
LEWIS MARSHALL on 01-423 4688
or write enclosing a full C.V.

INTERNATIONAL BANK

CREDIT/MARKETING

Our current portfolio contains a number of career opportunities within the credit analysis/lending/business development area of international banking... covering a wide range of specific functions, level of seniority and shape, size and "flavour" of the particular bank.

CORPORATE MARKETING £14,000-£22,000

The recurring requirement is for graduate bankers, in the age range 28/35, who have progressed through a decent credit training and can already demonstrate successful experience of marketing a range of "products" to U.K. and/or European companies.

CREDIT ANALYSIS £10,000-£17,500

The common denominator in these appointments is that they each demand sound (and formal) credit training and practical experience: the basic difference between them (apart from level of seniority) is that some have either immediate or projected marketing involvement whereas others are more concerned with management of the credit function.

To measure these opportunities against your own career objectives,

please telephone, in confidence,
John Chiverton, Ann Costello or Richard Lowring

JOHN CHIVERTON ASSOCIATES LTD.

8, CASTLE COURT LONDON, E.C.2, 01-623 3867

Manager Reporting

c. £18,000 + car

LOTUS DEVELOPMENT CORPORATION is the world market leader in personal computer business software with LOTUS 1-2-3 and the recently launched SYMPHONY—which does everything an office is likely to need all on one disc. The major moves we are making in Europe, with subsidiaries being set up in France and Germany as well as a manufacturing unit, have created the need for a Manager Reporting.

We see you as being a qualified Accountant aged around 30 with a solid business accounting background. Essentially this will include experience of U.S. accounting and reporting, using computerised accounting systems for a multi-national, multi-site operation. Experience of tax and treasury work would be advantageous, whilst knowledge of a second European language would be useful.

You are likely to be in a similar position in a commercial environment or alternatively be an Audit Manager with a leading firm of accountants. Reporting to the European Financial Director, you will be responsible for the consolidation of the European subsidiaries and reporting to the U.S. Working closely with the European controllers and the MIS Manager (currently being recruited) you will set and harmonise standards, institute controls and co-ordinate reporting. You will also assist the European Financial Director in Tax and Treasury management throughout Europe as well as carrying out ad hoc assignments from time to time. There will be some European travel.

This is a demanding but exhilarating role working to high standards and tight deadlines in a fast-moving environment with unlimited scope for personal growth and advancement in a young and expanding company. In addition to the good negotiable salary there is an excellent range of benefits including company car, BUPA, life assurance etc.

Please write, quoting reference RMF 11 with full career details to our advising consultant David Konrath: LOTUS DEVELOPMENT (UK) LIMITED, Consort House, Victoria Street, Windsor, Berks.

Lotus

These positions are open to both male and female applicants.

RECRUITMENT MANAGER

Chartered Accountants
CITY Circa £15,000



Our client is one of the leading international firms of Chartered Accountants enjoying very considerable growth. Whilst they recruit large numbers of graduates, they also recruit about 250 qualified accountants a year in the general practice and specialist departments up to manager level. We are looking for a Recruitment Manager to handle this latter demanding area, which involves attracting high calibre candidates in a competitive market and then matching personalities and backgrounds to different parts of the firm, both in this country and overseas.

The job will also involve career development assistance to those recruited and the need to ensure that overseas staff brought to the UK on secondment are integrated at work and domestically. The role is a front end one with much contact with people; it is seen as a key position in the growth of the personnel function.

We are looking for a man/woman, possibly a Chartered Accountant, aged circa 25-28, who has the ability to select intelligent and able people in this field, preferably with experience of professional recruitment, possibly in a consultancy. Training or general personnel work would be an alternative background. A strong administrative ability and high level of initiative will be required.

Please apply with brief details to Christopher West, quoting ref. 1359C.
COURTENAY PERSONNEL LIMITED
11 Maddox Street, London W1R 9LE. Tel: 01-491 4014.

Eurobond Settlements

Credit Suisse First Boston Limited, a leading international investment bank, requires two experienced first line Supervisors in the settlements department. Exposure to back up on lead managed new issues and/or secondary Eurobond Settlements is a pre-requisite. The successful applicants will be fully conversant with procedures relating to either or both of these areas. Salary will be negotiable according to age and experience and a full range of generous banking benefits plus bonus will be available with these positions. Applications to: Ms. A.C. Callan, Personnel Officer, Credit Suisse First Boston Ltd., 22 Bishopsgate, London EC2N 4BQ.



DIRECTOR REINSURANCE

An expanding Lloyds insurance broking group requires an experienced and enthusiastic person to expand the reinsurance company of the group in all classes of marine and non-marine insurance. Candidates, male or female, will probably be in their 30's and must have had experience of London market excess loss and of direct American reinsurance business. It is expected that the successful candidate will bring a considerable amount of brokerage to the company. It would be quite acceptable for a person to bring their own team with them provided there is sufficient business to support them.

The position, City based, will report to the Managing Director. The remuneration package is negotiable and will reflect the responsibilities of the position. Applicants should be currently earning of least £25,000, and possibly considerably more including brokerage.

Please reply, in confidence, to

BURLINGTON SELECTION
New Bond Street House
1 New Bond Street
LONDON W1Y 9PE

WANTED: SLIGHTLY USED EXECUTIVES

If you are an able, experienced executive or professional person, yet somehow are not making the most of your potential, perhaps you need a new approach to your career. To learn how 'slightly used' executives have profitably renewed their careers, telephone for a free, confidential appointment — or send us your cv.

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Birmingham 021-643 4629, The Rounds, New Street.
Nottingham 0402 584561, Gothic House, Barker Gate, NG1 1JL.
Manchester 061-228 0089, Sunley Building, Piccadilly Plaza.
Newcastle 0632 618261, 15-17A Sandford Rd., Jesmond, NE2 1XJ.
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Edinburgh 031-226 5680 47a George St.
Glasgow 041-332 3672 180 Hope St.
Leeds 0532 450243 12 St. Paul's St.
Manchester 061-236 8409 Pauliner Hse, Pauliner St.

LEASING AND ASSET FINANCE EXECUTIVE

An Executive with experience of Leasing, Property Finance and other forms of asset funding is required to assist in the development and marketing of these products.

Please send C.V. in confidence to:
John Lenton, Managing Director,
Aitken Hume Leasing Limited,
30, City Road, London EC1Y 2AY

COMPUTER AUDIT MANAGERS

£17-25,000 + Car.

London/Manchester

A major firm of Chartered Accountants seeks computer auditors aged 26-32 with large firm experience, to service a wide variety of work in the fields of both audit support and client advisory services. Candidates with strong technical and managerial ability are likely to attain partnership within 3-4 years. REF: DES.

ACCOUNTANT/CO. SECRETARY

c. £20,000

C. London

Full responsibility for financial and secretarial routines are on offer with this medium sized importing and trading company. Applications are invited from qualified Accountants with relevant sector knowledge and an awareness of treasury and EDP matters. Good communication skills and general management ability are paramount. REF: RSL.

DIVISIONAL MANAGEMENT ACCOUNTANT

c. £16,000 +

Relocation

Keat

A substantial sales and marketing company seeks a graduate Accountant aged 24-28. Responsibilities will include involvement in strategic and tactical decision planning as well as systems development in the pricing and modeling area. Candidates should have the ability to formulate new concepts and sell them to management. REF: DES.

COMMERCIAL FLAIR

To £15,000 + Car

City

A newly created position with a substantial commodities group. As assistant to the Finance Director, the successful candidate will be primarily involved in the provision of management reports and systems development exercises. This high profile appointment, is ideally suited to a young graduate ACA seeking full commercial involvement. REF: MJH.

BUSINESS ANALYST

c. £15,000

W. London

This specialist service company within the finance sector seeks to monitor its product profitability by the appointment of a Business Analyst. Candidates will be qualified Accountants aged 26-34 with proven skills in budgeting, planning, financial analysis, systems development and project reporting. Good interpersonal skills are essential. REF: MJH.

GROUP FINANCE

c. £14,000

Herts

This "non routine" position, based at the headquarters of a large manufacturing organisation gives responsibility for the performance monitoring of subsidiaries. Applicants will be qualified Accountants, who are familiar with all aspects of accounting, enjoy "ad hoc" project work and have extrovert personalities. REF: RSL.

HUDSON SHRIBMAN

The complete financial selection service
College Hill Chambers, 23 College Hill, London EC4R 3ET. Tel: 01 248 785116 (24 hours)

DIVISIONAL CHIEF EXECUTIVE

E Midlands Neg c. £25,000 + Bonus + Car

Our client is a well established and profitable group of companies whose 1500 employees are involved in diverse and exacting contract work associated with the building industry throughout the UK.

The group's strategic plan now requires, reporting to the Group Chief Executive, a strongly commercially oriented general manager/managing director to control companies contributing half the group turnover of c. £40M.

Presently ideally aged 33-45, earlier background could include financial or marketing appointments, reporting to a company or divisional board. Experience in a group function would also be useful.

An excellent benefits package includes a negotiated contribution to relocation expenses where appropriate.

Candidates, male or female, please write requesting further details and an application form to David T Bentley, Senior Consultant, Investors in Industry Consultants Limited, Headrow House, The Headrow, Leeds LS1 8ES, quoting Ref. DB/497.

3i Investors in Industry Consultants Limited Recruitment Division

INVESTMENT FUND MANAGEMENT

The Investment Division of a major UK bank is expanding its Fund Management and wishes to recruit the following:

- A SENIOR FUND MANAGER.**
Applicants should have had several years experience of Pension Fund investment in UK equities and of reporting to Trustees. The successful candidate will probably be a graduate who is currently with a Merchant Bank, Stockbroker or other Investment Institution.
- AN INVESTMENT ANALYST/JUNIOR FUND MANAGER**
The successful candidate will probably be a graduate, 25-30 years of age, with some experience of Japanese equities.
Both positions offer attractive salaries and prospects.

Please contact Peter Latham, Jonathan Wren & Company Ltd., 170 Bishopsgate, London EC2M 4LX. Tel: 01-623 1266



BANKING APPOINTMENTS

هكذا صنع القليل

Employee benefits consultants.

Would you rather let things happen? Or make things happen?

To an outsider, our Client is like any other large, successful, well-established British insurance group. But from the inside, the company has the feel of an operation that's young, hungry and extremely fast-moving.

In other words, the ideal environment for a consultant who's ambitious to the point of impatience, and unashamedly commercially minded.

And with our Client's proposed restructuring of their benefit consultancy division, you could soon be experiencing the attractions of working in that kind of environment. Because the move will create new roles for additional consultants, new business goals for them to achieve, and the structure and management climate which will assist that achievement.

The emphasis in the brief will be very much on business growth - either organic growth through the enhancement of existing schemes for existing clients, or even more exciting, the acquisition of new business.

If you're the type of consultant our Client has in mind, your experience will have given you a real understanding of all areas of employee benefits, and all aspects of their administration, design, legislation and practice. We'll take your APMI qualification as read.

Your c.v. will show a career progression and record of success that one would normally associate with someone in their late 30's; your date of birth will indicate that you're still in your early 30's, or even late 20's.

The initial salary will be around £17K, and a car heads a long list of benefits. Our main requirement is in the Home Counties but opportunities exist elsewhere throughout the UK.

If you're the sort of consultant who really wants to make things happen in his or her career, the first thing to do is send a copy of your c.v. to Confidential Reply Service, Ref AKE 9082, Austin Knight Advertising Limited, London W1A 1DS.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.

Austin Knight Advertising

Corporate Planning

£13,500+ car

C. & J. Clark Limited, an international Group, manufacturing wholesaling and retailing Footwear, with a turnover of over £500 million, needs an economist with experience in corporate planning to join a small H.O. team in Street, Somerset.


He or she will report to the Director of Corporate Planning, and the work will include capital expenditure appraisal, acquisition analysis and market planning.

The successful candidate will ideally be aged 28-30 and have a good degree in Economics/Econometrics. He/she will probably be working in the planning department of a large commercial group and will be thoroughly familiar with standard statistical techniques. An MBA backed up by some business experience would be useful. The ability to communicate effectively both verbally and in writing is critical.

The Rewards: Starting salary will be negotiable around £13,500 and other benefits include Company car, 000 co-contributory pension and life assurance schemes. Assistance with removal will be given where appropriate.

Please send me your c.v. or telephone for an application form:

Jeremy Baker, Staff Services Manager, C. & J. Clark Ltd., High Street, Street, Somerset. Tel. (0458) 43131



Morgan Grenfell & CO. LIMITED.

Business Systems Analyst - Merchant Banking

We are seeking two experienced Business Systems Analysts to join our computer Applications Development team.

Applicants should have a minimum of 6 years data processing experience, including at least 2 years in a position such as Project Leader or Senior Business Analyst.

The successful candidates will assist in building and supporting a variety of complex systems to serve one of the most innovative and successful Financial Institutions in the City.

Applications are built primarily around ICL 2900 mainframes, though a variety of other machines are used in support, or for discrete tasks. Major systems currently under development utilise fully the scope of IDMS, TP, and Data Dictionary software. Knowledge of Database and Data Dictionary, together with formalised Data Analysis experience, would be advantageous, and relevant business experience within the financial community is essential.

Applicants will be expected to be capable of relating to Senior Business Management and will assume significant responsibility within a team structure, for the development and delivery of major system components to the satisfaction of a demanding User base.

Remuneration for these senior positions will be based on experience and benefits will include a preferential mortgage scheme, non-contributory pension and free BUPA.

Applications, including full C.V., should be sent to: - Sally Barnes, Personnel Officer, Morgan Grenfell & Co. Limited, 23 Great Winchester Street, London EC2P 2AX.

EUROBOND Sales and Trading

A leading U.K. merchant bank, long established in the Eurobond market, seeks senior sales and trading personnel to join an existing team.

Sales

The successful applicant will have considerable experience of selling fixed-income securities. This experience will not necessarily have been gained in the Eurobond market. The position involves servicing existing clients and developing new client business in a number of geographical areas. Some overseas travel is involved and languages would be an advantage.

Trading

The successful applicant will be an experienced dealer in a fixed-income securities market, not necessarily Eurobonds. The position involves market-making and position taking.

A competitive salary and a full range of benefits will be provided for each of these appointments.

Confidential Reply Service: Please write with full CV, quoting reference 1895/RS on your envelope, listing separately any company to whom you do not wish your details to be sent. CVs will be forwarded directly to our client, who will conduct the interviews. Charles Barker Recruitment, 30 Farringdon Street, London EC4A 4EA.

CHARLES BARKER
ADVERTISING - SELECTION - SEARCH

Montagu, Loeb, Stanley & Co.

At Montagu, Loeb, Stanley & Co. we have a long tradition of success, achievement and service and intend to carry on providing a personal approach to our clients.

In order to accomplish this aim we are looking for experienced individuals in both our institutional (equities and gilt-edged) and private client departments.

These opportunities may suit sales people, fund managers, teams or others in an environment where their individuality still counts.

Please apply in confidence to:
Mr. R. A. D. Froy
Montagu, Loeb, Stanley & Co
31 San Street, London EC2M 2QP

Phillips & Drew

CHARITIES & TRUST FUND DEPARTMENT

The Department wishes to recruit a graduate to assist a Fund Manager who has particular responsibility for international investments.

Applicants, male or female, should be in their mid-twenties with at least a year's relevant experience.

A competitive salary package, including bonus, will be offered.

Please apply in confidence to:
Miss D. Harman, Phillips & Drew,
120 Moorgate, London EC2M 6XP.

DRI Europe, Ltd.

Data Resources Inc. (a subsidiary of McGraw Hill and the world's leading economic consultancy) requires:

SENIOR FINANCIAL ECONOMIST/CONSULTANT

To be responsible for managing relationships with UK Financial and Banking Clients, supporting and training them in a wide variety of financial and economic analysis. The job involves contact with all levels of management, requires the ability to work independently, to respond to clients needs connected with their use of ORB's software, data and services, and to develop projects in consultation with clients.

The successful candidate is likely to have a degree in economics or business administration and had experience in a financial institution, probably doing research/analysis to support dealers/traders, investment managers, and policy-makers. Experience in using statistical techniques, mainframe or personal computers is an advantage.

The job involves working in a well qualified and highly motivated team, drawing on the richest and most timely collection of financial and economic databases, with unequalled analytic/software facilities and ample computing resources. Salary, which includes a performance-related element will reflect experience, qualifications and the importance of this position. It is likely to be around £15,000 plus other benefits of a large international corporation.

Please forward your Curriculum Vitae to:
Office Administrator (MBL/CS)
DRI EUROPE LIMITED
30 Old Queen Street
London, SW1.

Financial Services Group

Manager of new marketing activities

circa £22,000 + generous benefits package

OUR CLIENT is a major financial institution with a reputation for innovation and a dynamic approach to a successful sales and marketing strategy.

YOU WILL be aged 25-35 with an MBA or equivalent post-graduate qualification confirming a comprehensive grasp of marketing techniques preferably combined with a first hand appreciation of the wide range of personal financial products currently available.

YOUR ROLE will be to maximise sales of existing group products by exploring innovative forms of distribution to identify and develop other means of promoting demand for the services afforded by the company.

YOU MUST therefore be able to demonstrate good analytical skills together with a creative insight which will not be restricted by present practices. A further requirement is the ability to direct the efforts of others and to achieve results in support of an ambitious corporate objective.

THE REWARDS both financial and for your career are excellent. You will be located in a very attractive part of Southern England with ready access to London.

Please write outlining how you meet this specification to:
John Lee, Director,
Marlar International Limited, 14 Grosvenor Place,
London SW1X 7HH. Telephone: 01-235 9614.

Applications will be treated in complete confidence and will not be forwarded to our client without your permission.

FX Telex Operator

The European Division of Westpac Banking Corporation, Australia's largest banking group, has a vacancy for an experienced foreign exchange telex operator.

Applicants should have at least one year's experience in such a post together with a good knowledge of the activities in an established and active dealing room. Please write giving full career details to:-

Tony Mathers,
Treasury Manager, Foreign Exchange,
Westpac Banking Corporation,
Walbrook House,
23 Walbrook,
London EC4N 8LD.

Westpac
Australia's world bank.

Group Company Secretary

up to £20,000 plus car

Home Charm Group PLC is one of the fastest growing retail organisations in the Home Improvement market. Its Operating Divisions include Texas Homecare and BULK DRY.

Due to the impending retirement of the existing job holder, we wish to recruit a professionally qualified Company Secretary with five years commercial experience who will be responsible for the statutory, legal, insurance, pension and other administrative matters of the Company.

Reporting to the Group Finance Director, the job is based in North London and the preferred age is over 30 years. Preference will be given to applicants who are members of the Institute of Chartered Secretaries.

Benefits include a commencing salary of up to £20,000 per annum, a 2 litre car, pension scheme, BUPA and Share Incentive Scheme.

Please write enclosing a detailed C.V. to:
The Personnel Director, Home Charm Group PLC, The Hyde,
Edgware Road, Colindale, London NW9 5AQ.

HOME CHARM GROUP PLC

Travellers Cheque Sales Regional Director - African Operations

Peterborough based £17,000 + car

In the highly competitive world of Travellers Cheque sales, few markets are as demanding or as difficult as the African continent. At Thomas Cook Travellers Cheques Ltd, it is a measure of our continuing success that we are the clearly established leaders in this market.

In order to maintain and build on that record, we are now seeking a talented finance professional to take overall responsibility for sales of our product range in Africa.

Reporting to the Director and General Manager of our International Division, you will lead a team of Sales Managers, based throughout the continent, towards improved efficiency, profitability and market penetration. This will involve you in regular visits to Africa and considerable personal liaison and negotiation with Banks and other customers. Ensuring we achieve high standards of service will form an important part of your duties.

To be considered you should be aged 30-40, of graduate calibre, with a relevant professional qualification and substantial experience in either Banking or Financial Services. In addition you must be positively sales orientated, with the drive, determination and personal motivation to achieve results.

On offer is a salary £17,000, a company car and all the benefits and career development opportunities expected of a major blue chip employer.

Please write with full c.v. to:
Miss A. V. L. Wood, Personnel Manager,
TCFS, Thomas Cook Group Ltd.,
PO Box 36, Thorpe Wood, Peterborough,
Cambs. PE3 6SB.

Thomas Cook

Executive Appointments

from £17,000 to £70,000 p.a.

Are you seeking a new job? If so, we can help you. We assess your marketability, identify career objectives, design a marketing plan, and work with you to obtain your next top job.

With our unrivalled technological information systems and the widest network of contacts in Europe we also help identify unadvertised vacancies.

We have the most successful record in our field. That is why top executives use our services - that is why only we offer a success-related fee structure.

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SENIOR RECRUITMENT CONSULTANT

Remuneration Package (c) £20,000

We are the recruitment consultancy arm of the ICAEW which provides a comprehensive service for employers wishing to recruit Chartered Accountants together with other closely related activities and are seeking a consultant to join us who can offer experience in accountancy recruitment. As part of a small team you will be given complete responsibility for handling a wide range of assignments together with the opportunity to extend into all the other activities the Service is engaged in. For the right person there is an opportunity to take over as Head of the Service in the short term on the retirement of the present incumbent. If you are aged 30+ with a proven record of achievement in recruitment consultancy please write or telephone:

Michael Hoyle
CHARTAC
RECRUITMENT SERVICES
Institute of Chartered Accountants in England & Wales
P.O. Box 433
Moorgate Place
London EC2P 2BJ
Telephone: 01- 628 7060

International Appointments

CORPORATE AUDITOR

BDS NEGOTIABLE

BERMUDA

The Bank of Bermuda wish to recruit a qualified ACA with post qualification experience to join their well established central audit function. The candidate will be part of a multidisciplinary team which is involved in all aspects of the Banks operations.

The role will have an initial emphasis towards the very extensive Trust activities of the Bank. Previous accounting or audit experience in this field gained in an overseas or off-shore location would be an advantage.

The ideal candidate will be aged 28-32, qualified ACA, single or married with no children, with previous experience of working overseas. Management experience would be preferable as the candidate appointed should be able to demonstrate the ability to take up a management role in the short to medium term.

Roger Parker 4, London Wall Buildings, Blomfield Street,
London EC2M 5NT
Organisation 01-588 8161 Telex 8811725 CITLON G.

INTERNATIONAL SEARCH & RECRUITMENT CONSULTANTS

THE DAVIS COMPANY LIMITED

Executive Recruitment & Selection

Territory Managers -

Soviet Union and Turkey c£20,000+car U.K. Based

Our client is a major international group of pharmaceutical and chemical companies with a group turnover in excess of \$1 billion per annum and an enviable growth record. Demanding opportunities currently exist for two senior sales and marketing professionals to develop the group's business in two major territories: The Soviet Union and Turkey.

The prime objective will be to analyse each market and its structure and to develop and implement strategies to exploit business opportunities. This will involve negotiating and promoting the business at the highest level.

To qualify for one of these senior positions you will need to demonstrate commercial achievement in

appropriate markets. Fluent Russian is required for the Soviet Union position. For Turkey, a knowledge of Turkish and/or German would be a distinct advantage.

Aged 30-40, and educated to degree level, you will need strong interpersonal skills and the stamina to undertake frequent overseas trips.

A first class benefits package is offered, including a company car and relocation assistance where appropriate. Excellent career prospects exist for successful candidates.

Please contact David Roberts on: 01-437 3344 and quote reference: D3518.

13/14 Dean Street, London W1V 5AH. Telephone: 01-437 3344

INTERNATIONAL FINANCIAL CONSULTANTS

Success breeds success

Within a few days of the appearance of our previous advertisement seeking Financial Consultants, we had received over ninety replies from people of the highest calibre throughout the world. And within three months of that date, one newly appointed Consultant had written business of well into six figures sterling. Today that success has been repeated many times over. Now we intend to use that success as base from which

to build further success by appointing yet more Consultants.

We exist to provide the large numbers of British and other ex-patriates who live and work throughout the world, with professional financial advice to maximise the long-term advantages of their high levels of income.

Our ability to provide the opportunity for substantial investment growth is our strength.

So it's imperative that our Consultants demonstrate an impressive record of achievement within a relevant background, ideally in a financial environment and with an overseas involvement.

Total self-confidence and discipline are essential, a second language would be useful.

The remuneration potential is reflected in the very high value of our services and, as such, will attract those of substantial calibre.

If you place yourself in this 'blue-chip' category please write enclosing a CV or full career details to:-

Mr A. Croucher, General Manager, (F720)
Finexco, Amstelveen, Joan Muyskenweg 22,
1096 CJ Amsterdam,
THE NETHERLANDS.



Assistant Controller - Europe DM 100,000 pa

The Frankfurt Regional Office of an International Service Company seeks an Assistant Controller to help manage 28 companies in Europe and the Middle East.

He or she will be based in Frankfurt reporting to the European Controller and will be responsible for the preparation of consolidated budget accounts; the analysis of variations from budget; the review of quarterly financial statements and the handling of tax and foreign exchange matters.

Candidates, aged between 30-35, should have a good degree in business administration or a professional accounting qualification. Good command of German is necessary and familiarity with US accounting procedures. The job entails considerable travel in Europe.

There are excellent opportunities for early promotion and the company pursues a generous remuneration policy. Please write in confidence with full details to David Sheppard at:

DAVID SHEPPARD & PARTNERS LTD.
21 Cleveland Place,
London SW1V 6RL. Tel: 01-930 8786

All positions advertised by David Sheppard & Partners Limited, Executive Search Consultants are open to both men and women.

THE WORLD BANK, an international institution in the field of economic development, provides financial and technical assistance in developing countries. The Bank has the following openings for FINANCIAL STAFF at its Headquarters in Washington, D.C.

The **FINANCIAL OPERATIONS OFFICER** will be responsible for initiating, implementing, and monitoring the Bank's borrowing activities (about \$10 billion equivalent in various currencies in the last fiscal year) in capital markets worldwide, including the negotiation of terms and conditions of borrowing transactions. Officers also do financial analysis of borrowing techniques and identification of sources of funds, and provide assessment of capital market trends and interest rate developments. Candidates should have:

- substantial experience in financial and capital markets, domestic (especially Japan) and international, preferably with an investment banking background;
- a graduate degree in Business Administration, Economics or equivalent experience; and
- in addition to English, fluency in other languages for negotiations with counterparts in major financial and capital markets is highly desirable.

REFERENCE NO: 5-3-UKG-0301

The **FINANCIAL ANALYST** will be responsible for assessing long-term developments in international capital markets that affect the ability of the BRD to borrow in particular currencies, maturities, amounts and terms; preparing papers for the Board on matters of borrowing and liquidity policy; participating in the formulation of long-term strategic options for the future role of the Bank; maintaining liaison with the Treasurer's Department to monitor market developments and the implementation of borrowing policy; participating in the establishment of a financial planning system. Candidates should have:

- a strong technical background in economics and finance;
- knowledge of international capital markets, and markets of individual capital exporting countries;
- demonstrated analytical, quantitative, and leadership abilities; and
- experience in preparing reports and analysis of technical issues for non-technical readers.

REFERENCE NO: 5-3-UKG-0302

Strong interpersonal skills, an excellent command of English, and the ability to communicate both orally and in writing are essential for these positions. The World Bank offers a competitive salary and benefits package. Please send a detailed resume, quoting the relevant reference number to:

The World Bank
Staffing Division
1818 H Street, N.W.,
Washington, D.C. 20433

The World Bank, a leading international financial institution in the field of economic development, offers challenging employment opportunities for a Financial Planning Specialist with substantial experience in corporate work-outs and debt rescheduling arrangements in industrial enterprises in developing countries, and a Financial Policy Analyst with substantial experience in both the micro and macro aspects of financial sector operations and of monetary policy analysis.

1. The Financial Planning Specialist

- Assessment of need for financial restructuring of industrial enterprises;
- Evaluation of restructuring alternatives, i.e., joint ventures, divestitures, etc.
- Assistance and advice to governments and/or enterprises on source of funds and in finalizing and implementing suitable restructuring programs. (Ref: 5-2-UKG-0303)

2. The Financial Policy Analyst

- will be responsible for:
- Advice to member governments on reorganization and restructuring of financial institutions;
- Preparation and appraisal of projects selected by financial sector policies and institutional arrangements;
- Analysis and research on key issues related to financial systems;
- Training of other staff in financial policy analysis. (Ref: 5-2-UKG-0304)

Candidates for both positions should have a Master's degree in finance, business administration, or related fields; at least ten years of experience with corporate work-outs, debt restructuring arrangements, and international financial instruments and financing techniques; familiarity with operations of international financing sources, e.g. commercial investment banks, export credit agencies etc.; experience in developing countries preferred; good command of written and spoken English essential, working knowledge of French or Spanish highly desirable.

The positions will be based at the Bank's headquarters in Washington, D.C. with international travel. The World Bank offers a competitive salary and benefits package. Please send a detailed resume quoting the relevant reference number to:

The World Bank
Staffing Division
1818 H Street, N.W.,
Washington, DC 20433 U.S.A.

FINANCIAL ANALYST INSURANCE

UP TO \$24,000 NET

SAUDI ARABIA

ARAMCO, the world's largest oil and gas producer, also operates its own shipping, transport and air fleet. The Company's Treasurers Department are looking for a financial analyst with six years' post degree experience in property casualty insurance with an emphasis on marine insurance and the U.K. market.

The successful applicant will work in a variety of risk management areas and a strong background in international insurance risk financing analysis will be an advantage.

The company offers unrivalled recreational facilities, housing and medical care. This is a bachelor status position with three paid leaves for married personnel.

Write with detailed C.V. or telephone for application form to: Dept. FT/209/FA Comcap Resources Ltd., (Northgate), 35 East Parade, Harrogate, N. Yorks. HG1 5LQ. Telephone: 0423 523091.

ARAMCO

COMCAP

PARTNERS IN PROGRESS

BAHRAIN COMPUTER ADVISER/EXPERT

Applications are invited for the post of Computer adviser/expert to advise the management of a financial institution in Bahrain on computerization of work on IBM S/34. He will be required to develop computer programs in RPG II and Fortran languages and to conduct systems studies relating to accounts, investment and personnel. In addition, he will provide training to computer staff in programming and systems analysis.

The applicant should possess the following:

1. A degree in computer science or a related discipline.
2. A minimum period of three years' experience as a computer consultant.
3. The ability to run training courses in programming and systems analysis.

The contract is available for 2 years. Emoluments, including tax-free salary, are subject to negotiation and will be fully competitive. Applications supported by copies of testimonials and related papers bearing on experience should be addressed to:

The Director of Accounts Directorate,
P.O. Box 27, Bahrain.

not later than Monday the 15th October 1984.

Portfolio manager European equities

As a result of the continued growth of PARIBAS ASSET MANAGEMENT, the international investment management unit of the PARIBAS Group, with professionals in NEW YORK, GENEVE and PARIS, we now seek to appoint an experienced fund manager in European equities.

The successful candidate will be involved in both managing funds and the formulation of investment policy. He will be part of the PARIS team, composed of 7 professional fund managers and will head the European zone.

With a good university background, he must have at least 5 years experience as Portfolio manager, a proven expertise of the U.K. market and if possible of other European markets.

Please send handwritten application resume and photo precluding the ref. SVE to Direction des Relations Humaines de la BANQUE PARIBAS - B.P. 141 - 75078 PARIS Cedex 02.



Head of Investment Bond Trading Department WEST GERMANY

This exciting opportunity stems from the formation of a new investment bank in West Germany whose business will concentrate exclusively on investments for private and institutional clients. The department's activities will encompass bond trading, (domestic and eurobonds), other securities, foreign exchange and money market transactions.

Candidates should be aged between 30 and 45 years and possess a good level of English in addition to fluent German. They should also have 5-10 years' experience of the investment field in a management role,

and be able to demonstrate a thorough knowledge of the bond market, as well as a good understanding of equities, foreign exchange and the money markets. A highly competitive salary will be offered for this challenging and prestigious appointment, and is negotiable dependent on experience.

For further information, please telephone Laila Raffique on London 623 1266, or send a detailed Curriculum Vitae in absolute confidence for her attention at Jonathan Wren International Ltd., 170 Bishopsgate, LONDON EC2M 4LX

Jonathan Wren International Ltd
Banking Consultants

We are an international organisation based in Belgium and operating a worldwide computer-banking telecommunications network. Our Chief Inspector Office is developing a new senior position and is looking for a

COMPUTER SYSTEMS AUDITOR

(M/F - rel. 103)

The function:

- conducts operational audits of current systems in order to confirm the integrity of the system
- recommends and reviews procedures, controls and techniques in view to assure security and privacy of the computer based information systems
- periodically reviews the physical security of the operating centers in the world.

The successful candidate will be:

- a high level specialist in computer sciences - especially in new generation systems - with at least 5 years experience in systems auditing, preferably in an international environment
- graduated in Business Administration and experienced in international banking
- aged between 30 and 45 and ready to travel
- fluent in English. Additional languages would be definite assets
- a proven leader with skills to communicate at senior levels.

We offer a highly attractive salary package reflecting the importance of this key appointment, to be negotiated with the candidate.

Please send details of your professional training and experience, with a photograph, to: Jerry RUBIN, Personnel Consultant
Chaussée de la Hulpe, 185 - 1170 BRUSSELS

All applications will be answered, and absolute confidentiality is guaranteed. Initial interviews will be held in London.



International auditors

WORLDWIDE TRAVEL PARIS BASE
200,000-360,000 FF

The international audit department, covering subsidiaries in Europe, South East Asia, South America and Australia, of a major American industrial group (sales \$ 6 billion) is based in Paris. Assignments, consisting of both financial and operational audits, last typically 2-8 weeks and require an annual travel level of around 75 %.

Candidates should possess experience at senior or supervisor level with an international firm of accountants or in the internal audit department of a major group. Fluency in English plus at least one other European language is required.

Please send CV, with present salary under reference 3386 to:

Organisation et Publicité

2, rue Marengo - 75001 PARIS, who will forward

Bank of New Zealand FOREIGN EXCHANGE TRADING MANAGERS

The Bank requires Trading Managers at their Los Angeles and Sydney branches. The candidates will need to be foreign exchange orientated with in-depth trading experience in the major currencies. The remuneration will be commensurate with experience. Interviews will commence on Monday October 1.

Applications together with curriculum vitae to:

A. Trayner
Foreign Exchange Manager
Bank of New Zealand
91 Gresham Street
London EC2V 7EL

Accountancy Appointments

DIVISIONAL ACCOUNTANT

Rickmansworth

Mitsubishi Electric (UK) Limited is a successful and rapidly expanding subsidiary of the Mitsubishi Electric Corporation, operating in the high technology consumer and industrial electronic markets. Reorganisation of the accounting function has created a vacancy for a recently qualified accountant at the Rickmansworth sales and marketing office. Reporting to the Chief Accountant, the Divisional Accountant, assisted by five staff, will be responsible for the preparation of statutory and monthly accounts, together with budgets and forecasts for the division. The successful candidate will be aged 25-40, with experience of computerised accounting and information systems. Exposure to a multi-national environment would also be an advantage. We offer a first class employment package, including a twice yearly bonus, free BUPA cover and an excellent pension scheme. Please contact Alan Freemantle at the address below for an application form, which will be treated in the strictest confidence.

Alan Freemantle, Personnel and Administration Manager, Mitsubishi Electric (UK) Limited, Hertford Place, Denham Way, Maple Cross, Rickmansworth, Hertfordshire WD3 2BJ.



SAINSBURY'S Financial Analyst

ACA, 27-30

to £17,500 plus outstanding package

This is an opportunity to join one of our most successful public companies, J. Sainsbury plc, whose earnings per share have shown compound real growth of 13% p.a. over 10 years. The current rate of investment far outstrips that of any other UK retailer.

The position of Financial Analyst is offered within the small but highly influential Financial Appraisal Department, which is responsible for a wide range of planning, forecasting, appraisal and advisory functions. The role, though calling for a high level of financial skills, does not carry conventional accounting responsibilities. This is a high-profile position entailing exposure at board level, and career prospects are unusually good.

Candidates should be graduate chartered accountants with post-qualification experience either in the profession or within a large commercial or industrial company. Some investigations or analysis experience is essential. Benefits include a car, profit-sharing and very attractive share option schemes.

Please write in confidence, enclosing career details and quoting reference S150/4, to N.P. Halsey, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria St., Blackfriars, London EC4V 3PD.



SAINSBURY'S ACA, 26-28

to £16,000 plus excellent package

J. Sainsbury plc, the leading retail group with a variety of subsidiaries and associates, is one of our most successful public companies. Its highly sophisticated management techniques offer exceptional experience to young managers embarking upon a commercial career.

The company now offers the position of Audit Manager to a young accountant with potential. The internal audit department enjoys a high profile and carries out a wide range of systems audit assignments within both financial and non-financial areas. Routine branch audit is not included in this role. There are excellent opportunities for career progression within the company.

Candidates should ideally be graduates trained by a large professional firm and should offer at least two years' post-qualification experience. The benefits package is outstanding and includes company car, profit-sharing and share option scheme.

Please write in confidence, enclosing career details and quoting reference S150/3, to N.P. Halsey, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria St., Blackfriars, London EC4V 3PD.



FINANCIAL ACCOUNTANT

c.£15,000

Jardine Glatvill (UK) Limited is a major Lloyd's Insurance broker advising Government and private sector organisations and individuals on risk management.

A Financial Accountant is sought for one of our innovative specialist companies which markets a variety of group and individual insurance schemes and products to affinity groups. Reporting to the Managing Director this position assumes responsibility for all aspects of the financial management of the operation including the assessment of the many new opportunities, which are presented, assistance in negotiations and the development and implementation of new information systems.

This is an exceptionally exciting opportunity for a progressive qualified accountant ideally in the age group 25-32 with a minimum of two years' post qualification experience who has the energy and entrepreneurial skills to contribute to the successful operation and development of this rapidly expanding operation. The position will carry an attractive compensation package and provide further career prospects for the right candidate.

Interested applicants should apply in writing with a full career resume to:

Mrs. E. M. Penycate, Personnel Manager, Jardine Glatvill (UK) Limited, P.O. Box 71, Seaford House, 15, St. Botolph Street, London EC3A 7HR.



Jardine Insurance Brokers Ltd.

Our Client is a subsidiary of one of the world's largest banks. For some years the Finance Industry has been undergoing rapid change, our Client has been one of the leaders of this change - continually developing products and services to meet new customer requirements.

TAX ADVISER

Negotiable from £20,000 plus Car

This new position is seen as one that will play an important part in increasing the bottom line profitability in an increasingly profitable and complex organisation. The primary function will be to play a proactive role in anticipating and addressing fiscal, legal and regulatory issues enabling the Group to take maximum advantage of environmental opportunities.

The successful applicant will be a qualified professional (member of the Accountancy and Tax Institutes) who has held a Senior post in a tax environment for several years. Experience of US tax regulations and management of corporate structures would be a distinct advantage. He or she will preferably have experience in a financial organisation either directly or through the tax department of a major Accounting practice. In addition to technical skills, a high level of commercial awareness and excellent communications skills are essential. Preferred age range, mid to late 30's.

Our Client offers an excellent benefits package including subsidised mortgage, non-contributory pension, private medical cover and permanent health insurance. They have a well deserved reputation for identifying potential and rewarding achievement.

Please write, quoting ref X/0104 giving details of experience and qualifications on telephone Reading (0734) 508456 for an application form. A detailed job description and applicant profile is available to all applicants.

BERKSHIRE PERSONNEL SERVICES, 3/5 London Road, Reading, Berks. RG1 5BJ



Management Accounting in a Growth Environment up to £17,500 p.a.

Our client is an internationally well-known quoted group of companies which has recently established a fully independent and accountable business unit within their London headquarters.

An experienced Accountant is now required who will have the opportunity of stamping his/her personality on a team eager to expand progressive management accounting systems. Your comprehensive responsibilities will include the development and introduction of integrated financial recording and management accounting systems, the provision of financial guidance to support the implementation of plans and policies, and active involvement in the ramification of business proposals.

Candidates should have a commercial background in a service or manufacturing industry, and a knowledge of management and computerised accounting systems. You must be able to demonstrate management ability, self-motivation and career progress in a competitive environment and will be professionally qualified.

There are good career prospects throughout the group; a salary of up to £17,500; and relocation expenses to London, where appropriate.

Please forward a full C.V., quoting ref. 314, to Terry Fuller, Deansgate Management Services, Garrick House, 27/32 King Street, London WC2E 8DJ, or telephone him for an initial discussion on 01-240 9108.

DEANSGATE MANAGEMENT SERVICES, ADVERTISING · SEARCH · SELECTION

Hoggett Bowers

Executive Search and Selection Consultants

Financial Controller

North East Kent, to £17,500 + car

Our client is the UK's leading manufacturer of generating sets, using the latest electronics to maintain its technological lead in this rapidly evolving industry. The Group has recently reconstructed its accounting function and is now looking for a Financial Controller to report to the Managing Director of the main operating subsidiary (to £20m). The role involves full responsibility for all accounting and financial activities, including foreign currency and E.C.G.D. matters which are extremely important. The Financial Controller will be expected to make a significant contribution to the evolution of corporate, financial and general policy, and in addition to this, practical day-to-day 'hands on' involvement will be expected. The person appointed will probably be a Chartered Accountant, aged early 30's, with at least three years' line management experience in a computerised manufacturing environment. Relocation assistance will be provided, and there are good future prospects for candidates who can make a positive contribution.

J.R. Featherstone, Ref: 12311/FT. Male or female candidates should telephone in confidence for a Personal History Form 0532-448861, Minerva House, East Parade, LEEDS, LS1 5RX.

Young C.A. For Financial Management

Computer Industry c. £17,000 + Car

A subsidiary of one of the world's leading computer manufacturers, our West London based client has an enviable growth record to date.

In a position having considerable impact on this £50 million turnover business, the accountant will be a key member of the financial management team. Working closely with the Financial Controller and supporting commercial functions, he or she will be responsible for management information and treasury and will structure, develop and manage 20 staff. The continuing considerable growth of the company should lead to increasing responsibility and to excellent promotion prospects.

In their mid to late 20's applicants should be chartered accountants with, at a minimum, managerial experience gained in an international practice. Please write, enclosing a career/salary history and daytime telephone number to David Hogg FCA, quoting reference 1/2245.

EMA Management Personnel Ltd., Heaton House, 20/23 Holborn, London EC1N 2JD, Telephone: 01-242 7773 (24 hour)

Financial Controllers

(Internal and External Finance)

The Council is seeking to make two senior appointments within its Finance Department, both of which carry the responsibility of deputising for the Finance Director.

The Internal Financial Controller will be responsible for managing the Accounts and Computer sections. This post would suit a young qualified accountant with post qualification experience. We are looking, in particular, for someone with the skill and enthusiasm to develop management and computerised accounting systems in an expanding enterprise.

The External Financial Controller will manage the Subsidy section and be responsible for controlling and assessing the Council's funding of subsidised organisations. This is a challenging position involving the implementation of the Council's new strategy and applicants must either be qualified accountants, preferably with experience in the arts or, exceptionally, have no formal qualification but be very experienced in accounting in the arts.

Salary is on a scale from £13,649 to £17,906 per annum (currently under review) and the Council has a non-contributory Pension Scheme.

For an application form and job description contact the Personnel Department, 105 Piccadilly, London, W1V 6AU. Tel: 01-429 9495 ext. 266. Closing date for receipt of applications is 5th October, 1984.

-An Equal Opportunity Employer-



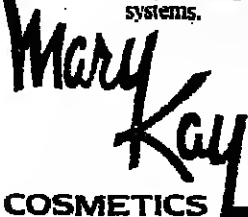
Accounting Manager

c£14,000

Mary Kay Cosmetics is a growing direct sales cosmetics company in NW9. It is very successful in Australia, Canada and the USA and it is now expanding into the UK and eventually the rest of Europe.

This is an excellent opportunity for a talented, 25-30 year old qualified accountant who will report to the V.P. of Finance and Administration. Primary experience should be in cost accounting and general accounting, with secondary experience and interest in office management, order processing and liaison with sales force. The initial task will be centred on providing financial and related general systems.

Applications should be sent to Peter Jones Personnel Services, 88 Kennel Ride, Ascot, Berks SL5 7NW.



Group Finance Director

North East

c£27,000+car

Our client, is a vertically integrated engineering group of companies engaged in the manufacture and marketing of an extensive range of products for the mining, petrochemical and power generation industries both in the United Kingdom and overseas. The group is well established and over the last decade has made concerted efforts to redirect its traditional activities towards new profitable growth markets.

The group wish to appoint a Group Finance Director who will join their top executive team at main board level in the North East. The appointee will have a direct reporting relationship to the Group Executive Chairman. The incumbent will have specific responsibility for financial forecasting, cash management and data processing systems development in addition to normal group accounting responsibilities. Particular emphasis is placed upon the ability to contribute to the commercial success of the group and to advise the board on the achievement of corporate strategies.

Candidates should be qualified accountants ideally aged between 35 and 45 with substantial industrial experience at a senior level, preferably in engineering.

Benefits include an executive car, medical insurance, relocation expenses and a contributory pension scheme. Candidates whose experience and ability are appropriate to this demanding position should write setting out how their qualifications and experience meet this specification. Responses should be sent to:

C. C. Read Ref. MCS/0684, Executive Selection Division, Price Waterhouse Associates, Sun Alliance House, 35 Mosley Street, Newcastle Upon Tyne, NE99 1PL.



Computer Audit

Central London

c£16-18,000 + Benefits

Our client is one of the UK's most prestigious financial groups. As a major user of sophisticated computer facilities with a range of development projects in hand to cater for the size and diversity of its business and changing management requirements it offers an exceptional opportunity to develop and demonstrate computer audit expertise.

We are retained to strengthen the multi-discipline audit team by recruiting qualified accountants, preferably aged under 30, with relevant computer audit or systems consultancy experience.

Responsibilities will embrace review of new and existing systems, assessing computer security, controls and efficiency; developing further interrogation techniques and providing vital support to the operational auditors.

Future accounting and systems career opportunities are extensive and the highly competitive remuneration package includes a non-contributory pension and subsidised mortgage.

Contact David Tod BSc FCA on 01-405 3499 quoting ref D/20/PF



125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

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Accountancy Appointments



Worldwide Management Information

Aged 28-32 M4 corridor c£15,000 + bens. + reloc.

Our client, Castrol, part of the Burmah Group, is a worldwide organisation with companies in 29 countries and a sales network in over 150 countries. The Finance Co-ordination Department based at the Company's Swindon Head Office, provides essential management information to the Line Directorates in this fast moving, multi-currency environment. Corporate Reporting into the Company's Head Office is organized on a geographic basis and, with the assistance of a recently qualified accountant, the job holder has responsibility for the provision of prompt and accurate financial information on the 30 companies in the UK and European Divisions. This reporting covers Strategic, Budgetary, Monthly and Year End requirements and will involve verbal, written and face-to-face contact with senior executives and directors in both the UK and Overseas. In addition to the above, there will be responsibility for the Books of Account and Statutory information of the Castrol Limited Company and a further key role will be the evaluation of changes in accounting standards and legislation and their impact on Castrol Limited. The Company therefore seeks an accountant with at least 5 years' post qualification experience gained both within the profession and in commerce or industry. Analytical and interpretive skills together with a specific interest in technical accounting methods will be essential. This position will enjoy large company benefits, including a non-contributory pension plan, subsidised restaurant, free life assurance and personal accident cover. Relocation assistance is available if appropriate. Interested applicants should contact Adrian Wheale, quoting ref. B8014 on 0272 276509 or write to St. Augustine's Court, 1 St. Augustine's Place, Bristol BS1 4XP.



Michael Page Partnership
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

FINANCIAL CONTROLLER

Diversified investment group with worldwide interests seeks "shirt sleeve" financial controller to inspect systems and impose discipline on current and past records. This is a challenging position and one which necessitates considerable travel and possible relocation to Brussels. It presents unique opportunities for remuneration and prospects with an entrepreneurial group which readily recognises and rewards hard work, ability and results. Applicants should have already had a successful record in working in demanding circumstances (if necessary on their own initiative) and liaising with outside auditors. Immediate start. Write Box A8741, Financial Times, 10 Cannon Street, London EC4A 3BY.

Commercial Manager

C£18,000 + Car S. London

This client is a successful subsidiary of a major UK blue chip Group. The subsidiary has a regional structure and this position based in South London embraces 3 manufacturing plants, 500 employees and has a turnover in the region of £20 million. The role is an enhanced financial controllership with a direct impact on profitability and commercial success through responsibility for pricing (in a major jobbing industry) and capacity utilisation. The Commercial Manager is also prime mover in providing financial and business analysis which is key to the longer term success of the business. There is a need to work closely with the Regional Director to whom the position reports and to provide regular commercial and financial advice to the peer group of managers. Applicants should be qualified accountants with experience of financial analysis/management accounting in an industrial business. An ICMA training would be particularly relevant. Commercial astuteness, sound management skills and the stature to be accepted as a senior member of the management team are essential requirements. Age guideline 28-35. Please apply in confidence, quoting ref. L136, to:

Brian H Mason
Mason & Nurse Associates
1 Lancaster Place, Strand
London WC2E 7EB
Tel: 01-240 7805

Mason & Nurse
Selection & Search

Head of Financial Accounts

Heading for growth and expansion
Reading Up to £20,800

British Telecom Yellow Pages, with around £100m turnover and expanding plans for the future, has recently become a self-accounting unit. This presents a major opportunity for a highly motivated man or woman to head the Financial Accounts Department at our new HQ in Reading. This is a key development position and offers considerable scope for initiative. At the head of a team of qualified and aspiring young accountants, your overall responsibility will be the provision of management information to both British Telecom and Yellow Pages. In addition, you will take on the challenging task of computerising the General and

Purchase Ledgers along with day to day supervision of Cashiers and other staff.

To apply, you must be qualified to ACA, ACCA or ACMA with at least two years' post qualification experience. Good managerial skills are essential and experience in the advertising industry would be useful.

Salary is in the range £15,800 to £20,800.

Please send full CV to Tricia Duncan, British Telecom, Room 251, Telephone House, Temple Avenue, London EC4Y 0HL.

British TELECOM



Trademark of British Telecommunications plc in the UK

Group Finance Director

Direct our Floatation

Oil Related £30K + Neg.

This highly successful group of companies provides specialist, high technology services to oil companies. Profitable and cash-rich, its corporate plans include a full quotation on the London Stock Exchange by 1986 and an aggressive expansion programme involving acquisition. Part of an international organisation, the group's interests are in the UK and in Scandinavia. A Group Finance Director is required to head up the established finance functions in both locations. Based in the London headquarters and reporting to the Managing Director, you will mastermind the quotation and the financing of the expansion plans. You will control all aspects of the group's finances on both sides of the North Sea, including international tax planning and treasury.

You are a qualified accountant with excellent City and Merchant Banking connections. You are able to demonstrate outstanding success in a senior financial role over a period of years, ideally in an international oil related technology service company. Probably under 45 years, you will be an active, positive and dynamic leader. Rewards are fully negotiable and include an excellent salary, choice of executive car, profit sharing and stock participation. In strict confidence, please send full details to, or telephone, David Wait of Cripps, Sears & Associates Ltd., Personnel Management Consultants, 83/89 High Holborn, London WC1V 6LH. Telephone 01-404 5701. Evenings and weekends 0272-291335.

Cripps, Sears

QUALIFIED ACCOUNTANT UNIT TRUST ACCOUNTS

The Provincial Insurance Company has an excellent career opportunity at its Head Office in the Lake District for an ambitious accountant with sound post-qualification experience. The position entails responsibility for the supervision and development of the computer based administration system and accounting for eight unit trusts within the Prolific Unit Trust group, and for the statutory accounts of the management company. These unit trusts have shown substantial growth within recent years, based upon a first-rate investment record, and significant further expansion is planned.

The ideal candidate will be in the age range 25-35 and will preferably have had experience in a unit trust (or life assurance) environment. Experience in staff management, the development of computer based systems, and in the provision of an efficient service to customers would be an advantage.

The salary is negotiable, but will be attractive to the calibre of applicant sought for this position. Benefits include a subsidised home purchase facility. The opportunity for career development within the fast-growing Provincial Group is excellent.

Please write with CV to F. W. Child, Assistant General Manager (Personnel) from whom a job description may be obtained.



Finance Director

£23,000 + Car South London/Surrey

A subsidiary of a major multinational, the company is one of the UK's leading manufacturers of high technology engineering products with a turnover approaching £25M p.a. and employing more than 700 people.

They seek a qualified accountant with zeal and enthusiasm to take complete control of the accounting function (35 staff) and improve systems and management information. Operating at board level, the job-holder will be totally involved in the decision making process and will be expected to make a significant contribution to the overall management of the company.

Candidates should be qualified accountants, in the probable age range 35-45 with experience in a complex manufacturing environment and preferably some involvement in contracting. A record of achievement, commercial awareness, a strong personality and senior management experience are vitally important factors.

Please send your career details to Barry C. Skates quoting reference 6735.

Mervyn Hughes
Alexandre Tic
(International) Ltd
Management Recruitment Consultants



37 Golden Square
London W1R 4AN
01-434 4091

Group Accountant

London c£13,750

For a major retailing group, with turnover running in excess of £1000 million, and the market leader in its specialist fields. The group is well placed for further growth organically and by acquisition.

You will join a young and highly professional corporate headquarters finance team which is responsible for the preparation of regular financial and management information for the Board, the year end consolidation and monitoring the performance of the group's subsidiaries. You will be in close contact with the senior management of the group and can expect to be involved in the development of new systems, investment appraisal and acquisition investigations.

The opening offers an ideal stepping stone from the profession and should suit a qualified accountant in his or her mid twenties with a strong track record in one of the major accounting firms. Prospects for career and salary progression within the group are excellent.

Write in confidence to John Cameron, quoting ref. C306, at 10 Bolt Court, London EC4Y (telephone 01-583 3911).

Chetwynd Streets

Management Selection Limited

Head of Internal Audit

c.£30,000 - £35,000

Following upon the promotion of the existing incumbent, an International Service Company providing world wide services to the health and personal care industries and represented by subsidiaries in 34 countries, seeks a Head of Internal Audit.

Reporting directly to the Chairman of the Board he or she will be responsible for ensuring the efficient internal audit function in the parent company and the subsidiaries. A considerable amount of travel will, therefore, be necessary. Candidates, ideally aged between 35-40, should have a good degree or professional qualification, experience of working in a US company and of US accounting procedures. A knowledge of languages, preferably German or Spanish, would also be useful.

A generous remuneration package is envisaged. Applications in strict confidence quoting reference 210/10 to David Sheppard at:

DAVID SHEPPARD & PARTNERS LTD.
21 Cleveland Place,
London SW1Y 6RL. Tel: 01-930 8786

All positions advertised by David Sheppard & Partners Ltd. Executive Search Consultants, are open to both men and women.

Management/Systems Accountant

City Partnership c £18,000 plus car

A leading consulting partnership in the financial sector, employing 250 staff, is seeking a highly motivated management accountant to provide them with the information necessary to develop their business into the 1990's.

This is a new appointment and the individual, who will report direct to the Finance Partner, will be responsible for implementing an integrated financial information system designed by external consultants. He/she will be expected to take over all financial and management accounting responsibilities within twelve months. Based in the City, responsibilities will extend to other offices in the UK and Channel Islands and some travel will be necessary.

The successful applicant will be a qualified accountant (ACA/ACMA/ACCA) and is likely to have had some experience of implementing computerised systems and to understand the value of information systems to management.

Candidates who think they have something to offer our demanding clients should send brief details in the first instance to Anne Campbell, or telephone her on 01-283 3070 for a confidential summary form. Spicer and Pegler Associates, Executive Selection, 56-60 St Mary Axe, London EC3A 8BJ



Spicer and Pegler Associates
Management Services

Chief Internal Auditor Insurance

over £20,000 + benefits

Our client is a major British public company and a leader in the field of international insurance broking.

A new internal audit function is being established and an experienced auditor is sought to take the lead in this development. There is a significant computer element and the position demands some international travel.

Applicants must be chartered accountants aged 28-35, probably with specialist insurance broking knowledge gained either in the profession or with another major broking company. This position will lead to a broader management role within about three years.

Please apply, quoting ref. F654M, to Douglas G Mizon at:
Ernst & Whinney Management Consultants,
Becket House, 1 Lambeth Palace Road, London SE1 7EU.



Accountancy Appointments

Group Finance Director Public Company, London

EXCEPTIONAL OPPORTUNITY IN DYNAMIC COMPANY

The Company: One of Britain's innovative, most successful, high growth oriented, international, consumer product companies. Industry sector leader. Acquisitive. Publicly quoted with £100 million market capitalisation. London based.

The Role: Group Finance Director to play a major financial, strategic and general management role in expanding this Group. One of only a three-man top management team.

Qualifications: Must be a qualified Chartered Accountant, highly intelligent, alert, with financial management, corporate finance, acquisition negotiation and some treasury experience gained preferably in a merchant bank and/or international trading company. Age likely to be in late 30's to early 50's. A good presence is essential.

Compensation: A very attractive package of cash earnings and stock options will be structured. This is an exceptional opportunity.

Please reply with full resume to:
Box 867, St. James's House, 47 Red Lion Court, Fleet Street, London EC4A 3EB.

GROUP ACCOUNTANT

TO £16,000 NORTH LONDON

Halma is a highly successful group of companies operating internationally in specialist industrial markets. We seek a recently-qualified Chartered Accountant of high calibre to help us achieve the further planned growth of the group.

To match our requirements, the ideal candidate would already have experience of computerised management information and acquisition investigations.

There are outstanding opportunities for an individual with the potential to operate at Board level.

Write in confidence, with full c.v., to:

Mr. R. I. Howard
HALMA plc
Halma House, Kingsbury Road
London NW9 5UJ

Financial controller

S Yorkshire, c£17,500+ car



A unique opportunity has arisen to participate in the management of a new company operating the most advanced plant of its type in Europe. The company has been formed as a joint venture involving major investment by two established businesses and will initially have a turnover of around £4 million per annum.

Reporting to the Managing Director you will work as a member of a small and highly motivated team. You will face the challenge of establishing effective control systems to ensure low unit costs and working capital, whilst contributing commercial judgement to enable the participating companies to build on their experience of traditional methods and optimise the advantages of the new plant.

Qualified and in your 30s or early 40s you should have a positive, forward-looking approach and offer well rounded experience and evidence of achievement in a manufacturing environment.

Please write, with a copy of your curriculum vitae, including a daytime telephone number to M D Rowley, Executive Selection Division, Ref. E208.

Coopers
& Lybrand
associates

Coopers & Lybrand Associates Limited
management consultants

Scottish Mutual House
Park Row Leeds LS1 5JG

Internal Audit International Banking

We are seeking a qualified ACA with 1-2 years post-qualifying experience, preferably in banking, to join our Internal Audit Department.

As a member of a small team the successful candidate will play an important role in maintaining and developing the internal audit function to high professional standards. Reporting directly to the Internal Auditor, he/she will be working with a minimum of supervision in areas as diverse as Foreign Exchange, Financial Futures, Commercial Loans, Investment Banking and other

new developments, all in a computerised environment.

This dynamic and fast moving London-based international organisation can offer distinct career development opportunities in other divisions of the Bank in due course. The person appointed will be rewarded with a highly competitive remuneration and benefits package.

Please write with full c.v. to Sally Morse, Personnel Department, Saudi International Bank, 99 Bishopsgate, London EC2M 3TB.

البنك السعودي العالمي المحدود
Saudi International Bank
AL-BANK AL-SAUDI AL-ALAMI LIMITED

Financial Director

International publishing
Central London package to £25,000+ car

This very successful, independent publishing house has achieved market leadership in high-quality reference books in less than ten years, and has gained an international reputation for creativity and excellence. Over two thirds of its £6m revenue is generated from overseas contracts. Now, with several subsidiaries in new, expanding markets and some 60 highly committed staff, it enjoys exciting prospects for further growth. The Financial Director will play a central role in managing the company and building on its success. Responsible for all aspects of financial management, he or she will have the initial task of refining management reporting and accounting systems and extending

the use of computers. Candidates, probably in their mid or late 30s, must be qualified accountants with experience in all aspects of the financial management of an export-oriented business. They should be attracted by the informal, creative atmosphere in which the company thrives. A background in publishing, though ideal, is not essential. The post is tenable initially as 'designate' and a formal Board appointment is envisaged within six months. Salary is negotiable and the benefits package includes generous profit-sharing arrangements.

Please send brief cv, in confidence, to Peter Greenaway, Ref: AAS1/8888/FT.

PA

PA Personnel Services

Hyde Park House, 66a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

AUDIT MANAGERS

LONDON

Salary to £25,000 plus Benefits

Touche Ross & Co., one of the world's largest and most progressive accountancy practices, is experiencing significant growth in the demand for its services.

Applicants should be chartered accountants, aged up to 34 and should have obtained relevant supervisory experience within the profession, industry and commerce, in the U.K. or overseas.

Prospects for promotion are excellent for people joining us at this stage of their development.

Please send a full career résumé, including salary history, quoting ref. 2200 to Raymond Hurley, Resource Development Partner.

Touche Ross & Co.
The Business Partners

Hill House, 1, Little New Street, London EC4A 3TR.
Telephone: 01-353 8011

ACCOUNTANCY JOURNALISM

Accountancy is looking for a graduate chartered accountant to join its News team.

Candidates will be expected to demonstrate a knowledge of, and interest in accounting and auditing standards, taxation, finance and management.

Journalistic experience is desirable but not essential.

Applications, which should include a curriculum vitae, should be addressed to: Mrs C. Hoodless, Personnel Manager, The Institute of Chartered Accountants' Hall, Moorgate Place, London EC2P 2BJ.

Accountancy

Journal of the Institute of Chartered Accountants in England & Wales

HEAD OF INTERNAL AUDIT

up to £24,405

This London-based post carries overall responsibility for internal audit functions within the Property Services Agency including overseas regions and Crown Suppliers. The PSA provides and maintains accommodation, buildings and fixed installations for government departments, including the armed services; and manages most of the government's land and property estate. It is the largest construction organisation in the country employing 27,000 staff and with an annual spend of over £2 billion.

The appointee, who will head a team of 80 auditors, will report direct to the Principal Finance Officer and have the right of direct access to the Chief Executive.

Candidates, normally aged at least 35, must be Chartered, Certified Cost and Management or Public Finance Accountants. They must have wide knowledge and experience of internal audit practice and management.

Salary: As Grade 5 £20,490 - £24,405. Starting salary may be above the minimum.

For further information about the work, ring Mr. M. V. Hawtin, Principal Finance Officer, on 01-212 3953.

Relocation assistance may be available.

For further details and an application form (to be returned by 12 October 1984) write to Civil Service Commission, Alconon Link, Basingstoke, Hants, RG21 1LR, or telephone Basingstoke (0256) 68551 (answering service operates outside office hours). Please quote ref. G/6334.

The Civil Service is an equal opportunity employer

PSA

Property Service Agency

Financial Analysts

To Financial Controller in 18 months

WEST LONDON - c£13-17,500+ CAR

Fast moving products, sophisticated manufacturing and aggressive marketing characterise our client's business. As a Financial Analyst you will play a vital role in advising operating management on the financial implications of business decisions as well as contributing to the further development of some of the best financial software currently available.

They are a £700m turnover division of one of the UK's largest and most successful companies. The division comprises 5 businesses with turnovers from £50-£300m. Applicants will be qualified Accountants or experienced MBAs, probably aged 24-30, with first hand experience of large commercial

or industrial companies. Appointments may be made at varying levels depending on experience. All candidates must have the potential to assume controllership responsibilities for one of the businesses in the medium term.

Remuneration will attract the very best people, and will include a fully expensed 2 litre car. Salaries are likely to be in the range £13-17,500 but could be more for candidates with substantial proven experience.

Make the first move by writing, in the first instance and in confidence, with concise details of career to date, stating any companies to which your application may not be sent, to: Peter Tydie, Account Manager, (Ref. 293).

WBH whites bull holmes ltd.

RO. Box 275, 63 St. MARTIN'S LANE, LONDON WC2N 4JX

Chief Accountant Leading Marketing Consultancy

Central London

c£15,000

Our client is a rapidly expanding group providing a comprehensive range of marketing services including advertising, consultancy, promotions and direct marketing. It is an autonomous member of one of the largest worldwide advertising groups and has ambitious development plans.

A qualified accountant aged mid/late 20's is sought to work closely with the Financial Director and control the accounts department. Main responsibilities will include cash control and forecasting and

preparation of financial and management information for subsidiary company and group purposes.

Accounting for the varied businesses within this fast moving environment will provide extensive contact with young creative managers so enthusiasm, flexibility and communication skills are essential. Future prospects and earnings potential are considerable.

Contact David Tod BSc FCA
on 01-405 3499
quoting ref D/28/MP.

Lloyd
Management

125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

CHIEF ACCOUNTANT

c £15,000 + Car - Near Guildford

We are a profit-oriented organisation engaged in distribution (turnover £14m) and are part of a substantial privately owned industrial group. Applicants must be qualified accountants (ACA, ACCA, ACMA) seeking the opportunity to work as part of a dedicated management team. The successful candidate will be enthusiastic, positive and capable of making a significant contribution to the development of the business.

The remuneration package will include a company car, profit share, contributory pension scheme and BUPA cover.

Please send detailed curriculum vitae to:

E. G. Cooke F.C.A., NEWSHIP GROUP LIMITED,
Sendmarsh Works, Ripley, Woking, Surrey, GU23 4LD.

Financial Director Designate

East Yorkshire £20-£25,000 + car

Our client is Phosya Group Limited based near York, whose business is the manufacture and sale of micronutrients and analytical services for agricultural purposes. The Company is active throughout the U.K. and in several countries overseas.

The post of financial director designate is broad-ranging in nature and calls for an experienced, commercially-minded accountant. Responsibilities include the control and development of the financial and management accounting activities, the development of reporting systems and management of the DP department.

Applicants, ideally chartered accountants aged 40, must possess some managerial experience that should include running a DP department.

Interviews will be held in Leeds.

Please write to M J B Ping, enclosing a detailed CV, quoting reference F/764/P.

E&W

Ernst & Whinney Management Consultants

Becket House, 1 Lambeth Palace Road, London SE1 7EU.

Accountancy Appointments

NEWLY QUALIFIED ACCOUNTANCY APPOINTMENTS

The Financial Times has arranged with the Institute of Chartered Accountants to publish a list of those candidates who were successful in the recent Part II examinations. We propose to publish the list in our issue of Thursday, September 27, which will also contain several pages of advertisements under the heading of "Newly Qualified Accountancy Appointments". The advertising rate will be £24.50 per single column centimetre. Special positions are available by arrangement at a premium rate of £40.50 per line. Newly Qualified Accountants, especially Chartered, are always sought to recruit - don't miss this opportunity!

GUIDE TO RECRUITMENT CONSULTANTS

and overleaf in the guide will be charged at £50 which will include complete notes, address and telephone number.

For further details please telephone IRIS NOEL on 01-296 5205 ROBERT WINTER on 01-296 9763 MIKE HILLS on 01-296 4864

EUROPE'S BUSINESS NEWSPAPER

Finance Manager

Accountant or MBA with Business Management Ability

Age 28-33 Berkshire flex c. £20,000 + Car

It is rare to find a financial appointment which exploits one's background in a wider commercial sense as a key member of a central management team removed from the more mundane aspects of accounting.

Our client, the UK operation of a dynamic 'household name' multinational fmg company, renowned for the experience and responsibility it provides its staff at an early age, offers such an opportunity.

A rapidly expanding Division providing high levels of after-sales service and operating through 35 outlets in the UK, which is regarded as a distinct profit-centre within the Company, is seeking a mature, commercially minded and pragmatic young Finance & Inventory Manager. Reporting to the Division's Director, this position holds day to day responsibility for overall divisional financial control and inventory management, the monitoring of performance, systems development and the setting of overall policy and direction. Together with central divisional operating management, this individual plays a key role in influencing, supporting and assisting field management in the running of their 'business units'.

Candidates are likely to be qualified accountants (or MBA's with a sound understanding of management accounting) and good communicators and promoters of their ideas at all levels. Experience of retailing, motor or service trades, whilst not essential, would be an asset.

Individuals with ambition and potential can expect rapid progression into either a line finance appointment or, very possibly, into a broader commercial management position.

Interested individuals should write enclosing a CV and a note of their salary to:

Harry Chryssophes, Director, Financial Management Selection Limited, 21 Cork Street, London W1X 1HB (Tel: 01-439 6911)

Financial Management Selection

Finance Director Designate Advertising Agency

City To £18,000 + Car.

Our client is an expanding advertising agency well established in the London market handling consumer, retail, business to business and industrial advertising.

A key position now exists for a Qualified Accountant seeking a long term rewarding career.

Reporting to the Board for the entire accounting function you will be responsible for developing the flow of monthly management information, statutory accounting, cash flow reports, credit and cash control. Familiarity with computer based accounting systems and the ability to supervise a small staff is essential.

Probably in your late 20's to early 30's with an advertising or related background you will have the stature and business acumen to assume a board position within two years.

For further information and a confidential discussion please telephone Richard Green, quoting reference 2765.



60 Mark Lane, London EC3R 7NE. Tel: 01-265 0377

EUROPEAN TROUBLESHOOTERS SWINDON

neg. to £23,000 plus CAR

Our client, NATIONAL SEMICONDUCTOR CORPORATION, with European turnover in excess of \$400m and expanding fast, seeks a capable young qualified accountant, either ACA/CA/ACCA/MBA or equiv, aged 27-33 with a strong professional background and perhaps a second European language.

There is travel content of 50-60% throughout Europe on individual assignments lasting two to four weeks and the successful candidate will be strongly self-reliant, energetic and highly competent both work-wise and in interpersonal relationships.

A two week induction period will initially be spent at Corporate H.Q. in the U.S.A. and there will be regular subsequent trips for debriefing, reviews and conferences.

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THE MANAGEMENT PAGE: Marketing

EDITED BY CHRISTOPHER LORENZ

Agencies and clients

In search of Utopia

AGENCY-CLIENT relationships are a delicate matter. Both sides need an understanding of the other's affairs in order to function well. Agencies are required by the very nature of their work to mind about their clients' business. It doesn't always happen the other way around.

Roger Neill, chairman and managing director of SSC&B: Lotus Australia—formerly with Saatchi, Chetwynds and Lintas in London—has drawn up a whole host of tips for clients to help smooth the path to happier liaisons and improved advertising. The following is a selection of his do's and don'ts.

- 1—Tell your agency clearly what you want. Then let them do it.
- 2—Decide early whether the creative idea you've been offered really fits the bill. Ordinary ideas hardly ever become great ideas. It was once involved in 76 revisions to one 30-second script for Procter and Gamble. The commercial was terrible.
- 3—Make sure you know your agency in depth, so that you get the best talent working on your business.
- 4—Tell your agency clearly when it falls short, and give it a clear opportunity to put things right.
- 5—Praise the agency when it does a good job. Clients who do this invariably get the greatest commitment.
- 6—Demand a completely new media plan—not just a rewrite of last year's.
- 7—Make sure the media are fighting for your money, not complacently expecting to get it.
- 8—Make sure the agency's top management really understands your business and is committed to it.
- 9—Don't try to write the ads yourself. Writing ads is a highly skilled craft.
- 10—Don't underestimate the slogan. A well crafted slogan can add massively to the memorability of your campaign.
- 11—Give the agency all the data it needs—sales, research, even profit and loss.
- 12—According to L. R. Coleman of J. Walter Thompson, Australia: "the relationship between client and agency should not be a love feast. Honey moons do not go on forever."
- 13—Expect the agency to disagree with you. Worry if it

- 14—Have a formal annual review with the agency boss. Make sure he knows personally what you expect.
- 15—Use creative research to build ideas, not to wreck them.
- 16—Make sure your advertising works for your brand alone. Far too many ideas are interchangeable between brands.
- 17—Own your own territory.
- 18—Dare to be different.
- 19—Link it all together—advertising, PR, point-of-sale, promotions, etc, and try to make the whole greater than the sum of the parts.
- 20—Tell the truth about your product. Always.
- 21—Make sure the agency is making a profit on your business. Successful, well-managed agencies make profit, just like you.
- 22—Have junior people along for the experience—not to make important decisions.
- 23—Give the agency proper time to do the job, but demand a fully thought-out response.
- 24—Treat the agency as part of your team.
- 25—Hang in there. Be consistent over time with your campaign. Clients nearly always get bored with their ads before consumers do.
- 26—There's no such thing as a boring product, only boring advertising.
- 27—Get a presentation from your agency once a year. See what they're doing for other people, and see what new facilities they have.
- 28—Be honest about how much money you've got. Don't expect a million dollar production for a hundred bucks.
- 29—Even when your advertising's working, be developing something that will work even better.
- 30—Have a formalised approval procedure—for copy, production, quotes, etc.
- 31—Provide some shelter in times of trouble. Clients that do this are most loved by their agencies.
- 32—"The advertising budget does not earn its keep because advertisements entertain the public, because they are an art form or because they support the media"—Dr Simon Broadbent, Leo Burnett, London.
- 33—Encourage your agency to come up with a consistent stream of initiatives, new ideas that could have a quantum effect on your business.

- 34—Put your prior ads up on the wall, along with your competitors', having cut out the brand names. Can you really tell the difference?
- 35—Ask yourself this question of the poster. Is it worth looking at twice?
- 36—If you're looking for a new agency, pick the most likely candidate and make a visit. Unannounced. See how they handle the situation.
- 37—Ask yourself this question of the radio commercial. Does it create "pictures in the mind"?
- 38—If you're doing corporate advertising, what do you really want to happen?
- 39—Does your advertising have a real idea, a lasting central notion which can be used and used again?
- 40—Better still, does your advertising have a collision of ideas, a touch of incongruity to increase its memorability?
- 41—Does your advertising make people feel good about the product? If everything else was equal, would they choose your product just because they feel warm towards it?
- 42—"Impact: that quality in an advertisement which strikes suddenly against the reader's indifference and enlivens his mind, to receive a sales message." Young and Rubicam/U.S. house ad 1930.
- 43—Avoid half-truths. Half-truths are always the most transparent to consumers.
- 44—If you can find it, surprise consumers with something important they didn't know about your product.
- 45—Be sure your ads speak personally to people. People hear messages in the singular (a person receives a message).
- 46—When the agency uses jargon, insist on Plain English. Jargon is often a smokescreen.
- 47—Don't imagine that eccentricity equates with genius. Genius comes rarely, and has even been known to wear a suit.
- 48—Set aside at least a clear day to brief your agency on any major new project. Get right away from your office (and the agency's) to do this.
- 49—Steer clear of agencies where the account executive drives a more expensive car than you do.
- 50—Always remember, the consumer is not a motor, she is David Ogilvy's wife.

Feona McEwan



One of a series of award-winning ads

Scotland's 'other national drink' goes South

IT TASTES like liquid bubble-gum and sells itself as "Scotland's other national drink." Until recently Irn Bru, a sticky concoction with a colour between pink and orange has remained a largely Scottish delicacy, outselling so its makers say, even Coca Cola in Scotland.

So the English could be forgiven for believing there is only one drink—myth-laden and well-matured—from North of the Border. Now, however, the Glasgow-based A. G. Barr company, which also makes the more nationally known Tizer soft drink, is speeding up to £500,000 on an Irn Bru sales drive in England, making unashamed use of the drink's Scottishness.

A series of commercials developed by the Hedger Mitchell Stark agency for the Scottish market and tested in the North

of England and the Midlands encouraged Barr's marketing department to have a go this summer at the prime target, the London area, where the drink has been available to expatriate Scots and visiting football fans.

"It's been well received by the trade," says Michael Hayes, marketing manager of Irn Bru's most important burden: recognition by the multiples and big retail outlets that the drink is worth having on their shelves.

Irn Bru appears to be part of the wallpaper in the Scottish diet. The schoolboy on his way to school on a cold November day in London may clutch a goose-pimple-raising can of Coke but in Scotland he is more likely to carry an orange can of Irn Bru. Irn Bru bottles also seem scientifically designed to tip upside down wedged between the bodywork and the

meter in easy reach of the Glasgow taxi driver.

The drink has long been in the Barr family and the secret of the concoction—a blending of fruity flavours—is only known by the family members who mix the concentrated base liquid every fortnight.

Earlier this century drinks labelled "Iron Brew" proliferated, their iron content emphasising strength and prowess. About 100 brands were on the market at one point. But improved transport and distribution networks decimated many of the local soft drink producers all over Britain. Of 2,500 at the end of the Second World War, only around 400 survive.

The years after the war were not only hard on companies but also tastes. Try today to order a bottle of "Zono," or "Wee

MacGregor Brew," or "Hot Tom Bitter," "Dandelion Stout" and "Potash Water."

The descriptions of foodstuffs act, proposed but not followed through by Government in 1946, nearly toppled the industry into its own credibility gap. For Ginger Ale was not an ale, American Cream Soda was not American and contained no cream and Iron Brew was not brewed.

The Barr family, fearing for the future of their own Brew, took a bold step and changed over to the phonetic spelling "Irn Bru." But the iron content—approximately 0.25 millilitres per fluid ounce—has remained a strong selling point. The slogan known best by its consumers is that Irn Bru is "made in Scotland from gardeners."

Mark Meredith

Suitors line up to woo the mature woman

THE MATURE woman never had it so good. British retailers are finally homing in on a market which they have neglected for years—apparel for the woman aged between 25 and 40.

In the last two weeks, both the Burton Group and Habitat-Mothercare have launched the first stores in their nationwide chains aimed at the £1.5bn market for women's clothing. The new chains are Richards, a £5m re-launch of the old Richard Shops chain, and Principles, an entirely new chain of stores which this year will set Burton back by around £4m.

The descriptions of the two new chains sound remarkably similar. "Quality and imaginative design" along with "real value for money" is part of Richards' pitch, while Burton executives describe Principles as offering "sophistication at very good value."

Those familiar with the retailing scene will recognise both those descriptions as remarkably apt for Hepworth's successful chain of women's shops, Next, which opened in 1982. "I think we are going to see a bit of a tussle in this market," says John Stevenson, group design and marketing manager for Habitat-Mothercare this week.

Mike Wood, finance director at Burton, is more sanguine.

"The market is enormous. I don't think it will be oversubscribed." Burton will be opening 30 new stores this year, with the eventual goal of about 200 stores nationwide.

"Tussle, yes," says Geoffrey Carr, retailing analyst for Scrimgeour-Kemp Gee, the London stockbrokers. "But when god companies compete in the same field, they can all do well by expanding the field. There will be a lot of business to take away from less well-run independent stores."

The game plans for Principles and Richards, in fact, do call for a different approach to selling women's merchandise, one that smaller retailers may not be able to meet. Both companies are reaching for style and comfort in their stores at the sort of competitive prices which they can only offer through high-volume buying.

The Richards facelift has called for the wholesale junking of carpets, fittings and lighting in the large shops. The first shop in London to be refitted has cream-coloured walls, apricot carpet and ash fittings, with lattice screens hiding the ceiling lights. But the emphasis has been on space. "Women don't like to shop while jammed up against each other. Our new design is intended to let the merchandise breathe," says Stevenson. In comparison with Next, which

are around 1,000 sq ft each, the Richard and Principles shops will be offering everything from shoes to hats in stores two to three times that size.

In a recent interview with a London fashion writer, Ralph Halpern, head of the Burton Group, said that Principles is aiming at "an experienced shopper. She is not into fringe, instant fashion. She wants clothes which reflect confidence and she wants convenience and excitement when she is shopping. It should be a pleasure."

To this end, the spacious new shops will offer fresh coffee as well as natural beauty products and essentials like dried flowers. Stevenson makes the same points about the new Richards. "Next is about coordinated clothes. That is their only story. It is the same at Benetton. We will have many stories, we can give party dresses, hats, perfumes, everything. It will be an exciting place to shop."

When Habitat bought Richard Shops last year, following an unsuccessful management buy-out attempt, the group's sales were around £40m. The new stores, Habitat hopes, will return the chain to growth with sales of around £85m expected within the next few years.

Stevenson says Richard Shops has been underperforming Dorothy Perkins, another women's wear chain owned by



Richards "fashions to have as much of a pull as the atmosphere" in Burton. But he hopes that the fashions at the new, improved shops will be as much of a pull as the atmosphere. For the first time, the chain has its own fashion buying team, and fashion design team. The group is also concentrating on better manufacturers and cutting out last-minute fringe ordering.

Together, the two groups are surely eyeing the performance of the Next shops which in the first six months of Hepworth's financial year were the major factor behind a 36 per cent increase in sales. But Burton and Habitat are not the only ones to observe the Next phenomenon. The GUS group

is also expanding a new chain called Visuals, with an eye toward the better-salaried woman.

Demographics are behind this retailing shift—more British women are working than ever before and those that are working do not want to dress in short skirts and seductive T-shirts. But is there enough of a market for nearly every major British retailer?

While the answer to that question is being sorted out, Britain's mature woman will assuredly be the winner.

Carla Rapoport

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Record Review

Theatre music for the Sun King

No longer is it necessary, when writing about Marc-Antoine Charpentier, to explain that he wasn't the composer of Lully.

successive speeches in recitative their own consistent and sometimes contrasted character, distinct from Rameau's slipping in and out of brief bursts of lyrical art.

music is apt and expressive. English listeners may be reminded here and there of Puccini. Common origins are more likely than direct influence.

good composer. Rameau, even at his oddest, was a great one. Zoroastre has not, I believe, been given complete in England, though the English Bach Festival did substantial excerpts in 1979.

Even if the difficulty for modern listeners in reconciling French high tenor or counter-tenor timbre to heroic roles is not fully overcome, what a way we have come since the early days of the Rameau revival, ten or 15 years ago.



Mara Zampieri and Donald McIntyre Tosca/Covent Garden Max Loppert

Ronald Crichton reviews recent recordings of the first Charpentier and Rameau

Much of his theatre music is of the kind unforgettably called "incidental" (for Molière's Le Malade Imaginaire, for example) but he made important contributions to the development of French opera.

delicate, pointed, ornamented writing with its lights and shadows and stabbing appoggiaturas. Good ensemble brings the usual rewards, yet there are moments when one could do (modern ears being concerned by generations of Wagnerian and veristic bawling) with stronger dramatic outlining.

chinese set memorably, as a ballet on the subject of Diana and Acteon. So to Rameau. Zoroastre was the fourth of his five tragedies by opera. The premiere (Paris, 1748) was an event and a talking-point but not an unequalled success.

tomary prologue he writes a concise, vivid overture. The vocal writing is constantly varied, declamation melting into arpeggio or duet and into some (by this composer's normally compressed standards) arise developed at considerable length.

Citibank sponsors Academy concerts Citibank is to sponsor a series of concerts by the Academy of St Martin-in-the-Fields in London during 1984-85.

After Turandot, the Royal Opera continues the new season with Tosca—not, however, a spanking new Puccini production sharply drilled but Zeffirelli's 20-year-old staging, rehearsed to respectability, no more, by Ande Anderson.

fantasy preceding Cavaradossi's third-act reverie was poised, and truly tuned (by no means always the case).

wonderful inflections on such throwaway phrases as "nuvole leggeri". It also means a quite specific "tone" to the vocal and dramatic presentation of the character, at once authentic and all of a piece.

With perfect timing, Harmonia Mundi France produce a complete recording of Médée (three records in album, HMC 1132-41) by William Christie's group, "Les Arts Florissants", acclaimed for an earlier record of the same composer's short "bunting opera" Actéon and which they performed at this year's Proms.

Médée is a full-length, five-act "tragédie lyrique" with words by the younger (Thomas) Corneille, about the uncomfortable sorceress who became the heroine of Charpentier's opera of the same name. Médée forms an excellent introduction for those who may still feel shy of what until recently had come to seem an alarmingly remote art-form.

Christie, less pioneer than consolidator, is smoother than Lully and less generally eccentric than Rameau. He moves the drama along swiftly, with a typical French gift for setting dialogue. (Thomas Corneille's text is neither inspired nor stupid) with a way of giving

Kuijken's three sopranos are exceptionally well matched to this music. In Amélie's final bravura—pastoral air "L'amour vole au son des hautbois" Greta Do Reyghere shows that this side of Rameau can be done without the hardening that afflicts many French sopranos in their top register. The effect is ravishing. As Erince (Rameau was good at angry

The duetting sopranos in "Smetus" are more graceful than profound, but in the moving restraint of the Fœre Requiem. The soloists are Judith Nelson, Dinah Harris, Jean-Claude Oriol, Wynford Evans (both tenors, who aren't required to be heroic, are notably good) and Stephen Roberts. Splendid sound.

These were just three moments—and there were many others—in which the presence could be sharply sensed of a conductor in the pit determined to make more of Tosca than just a garish, lowest-common-denominator success. It was that also, as it must be; but it was in addition a tenderly felt love story, albeit an interrupted one; the duets of first and third acts were placed, by the masterly conducting of Charles Mackerras and by Mara Zampieri's eloquent sensitive, wholly individual account of the title role.

Four Toscas comprise Sir Charles' entire Royal Opera duties for the current season (for the final two of the revival John Barker takes over). A rather paltry recognition, one might think of the merits of one of the world's leading opera conductors; yet the performance itself makes it seem not so. The opening choral sequence was weighed with a care and precision that carried tremendous dramatic impetus; the blanched woodwind figure weaving round Scarpi's corpse summed up the whole act; the divist cello

purchase on the words (with wonderful inflections on such throwaway phrases as "nuvole leggeri"). It also means a quite specific "tone" to the vocal and dramatic presentation of the character, at once authentic and all of a piece. The wide-eyed, strong-featured, slender-proportioned appearance expresses itself in impulsive vulnerability of movement—and none of it seems premeditated, not even a floor-level start to "Vissi d'arte." The tone cannot soar, end doesn't always strike the ear with rounded grace; but its use is fresh, truthful, accurate, and naturally considered.

American Theatre/Frank Lipsius Trevor Griffiths in Cleveland

Besides its ambitious fare of revivals, the summer-long Williamstown Theatre Festival has in recent years commissioned new plays and given

enveloped in flames, in Christina Giannelli's clever lighting. In the second act, the commune await restriction to Spic for the failure of the mission, which they blame on one of the commune for tipping off the fire department, called "fire pigs".

lamps for... their... sentimental soliloquies, as though their thoughts will protect them. The ensemble, led by Robin Bartlett, Kevin Spacey and Scott Burkholder, bring out the best of 1960s camaraderie, especially in the opening scene of a rained-out July 4th picnic before Ramon (Jose Sainza) sets the plot going by arriving with the Spic demand.

The 30-year-old festival has long specialised in revivals as it gradually moved toward professionalising its casts under founder and artistic director, Nikos Psacharopoulos. The headlines for the production of Tennessee Williams' Viewers Carré are Marsha Mason and James Naughton, who also participated in the reading of The Spirit of It All in 1954 by the author of The Boys in the Band, Mart Crowley. Though not a success on Broadway when produced there seven years ago, Viewers Carré has seen its weaknesses turned into strengths as the playwright's death gives barely disguised autobiography poignancy despite the staged sentimentality.

Set in a New Orleans boarding house in the late 1930s, the play has a narrator like The Glass Menagerie, an overbearing brute like Streetcar Named Desire and bovering illness like Cat on a Hot Tin Roof. It was watched closely by the young narrator, named only the

Shumsky's Elgar/Barbican Hall

Oscar Shumsky's return to the concert halls of Europe has been one of the brightest musical events of the past few years; there are relatively few violinists of his stature still at the height of their powers. Because he is a seasoned campaigner, he has emerged not just with the bandful of showpieces of an arrisvise, but with a wide repertoire covering the full spectrum of his instrument, and no doubt one would expect an artist who received early encouragement from Fritz Kreisler to include the Elgar concerto among it.

It is always revealing to hear any Elgar work interpreted by someone who stands apart from the English Tradition—be they conductor or soloist. Shumsky treats the work as a late flowering of the 19th-century symphonic concerto (which of course it is) and has little time for the nobilitate aspects; the first movement indeed found little space to breathe, and a fast vibrato kept even the second subject on the move.

Much more on the credit side was the intimate chording, never hurried or uneven, singing tone which prevailed through the most brilliant passage work—remarkable leggiero playing in the finale—and the range of colour and inflection he brought to the solo line. There was rich, firm support from the London Symphony Orchestra under Richard Hickox; good to hear that orchestra back to something near its proper form.

Arts Guide

Music/Monday, Opera and Ballet/Tuesday, Theatre/Wednesday, Exhibitions/Thursday. A selective guide to all the Arts appears each Friday. Sept 14-20

Exhibitions

TOKYO Jean-François Millet: The Boston Museum of Fine Arts whose collection of Millet exceeds that of the Louvre ends 63 works by the French Impressionist (1814-1875) known for his scenes of peasants and landscapes. The highlight of this exhibition is a photo panel of his earlier Captivity of the Jews in Babylon discovered by X-ray under his later Young Shepherdess. Takashimaya Department Store, Nishinomiya. Ends Sept 30.

Impression-Surprise, which gave its name to the whole movement. Monet's love of London is represented by the 20 scenes of his life in his garden in Giverny became his great inspiration. In glowing colours and changing light he painted his Japanese bridge and weeping willows and, above all, time and again the unforgettable Nymphs—waterlilies on still green waters. Musée Marmottan, 2 Rue Louis-Bouilly, 18th Arrondissement. Closed Mon. (264 0702).

Heidelberg, Heidelberger Schloss, Othheimrichshausen: About 80 paintings by 13 young French painters such as Albertus, Blais, Coubes, D'A and Favier and Gauthier. Ends Sept 30.

VIENNA Treasures of Dusseldorf Art Museum: A cross-section of German artistic development throughout the nineteenth century. Prussian castles to many scenes from everyday life. Calm and prosperous family groups hang amid other portraits and landscapes that are majestic, moving or even witty. Kunsthistorisches, Vienna. Ends Sept 30.

NEW YORK Museum of Modern Art: After being virtually closed for three years of renovation, the museum has a chance to show the depth and breadth of its considerable collection. No longer is it a boutique of modern classics but more like a department store, with double its previous exhibition space and room for such examples of modern design as a whole helicopter.

WEST GERMANY Berlin, Banhaus-Archiv, 14 Klingelstrasse: The second part of an exhibition series dedicated to Wassily Kandinsky. This sequence has works from the painter's Russian and Bauhaus years between 1915 and 1933. It also contains pictures by some of Kandinsky's contemporaries. Ends Sept 30.

FRANCE: Palais de la Ville, Paris: The 82 reliefs to this subject from the Queen's Collection in the Royal Library at Windsor. These drawings

form only part of Leonardo's output, which covers every aspect of human activity, of nature, and of seasons. Like many of the Italian humanists he considered the horse a subject of attention second only to man. The exhibition includes ten of Leonardo's studies for The Battle of Anghiari, with their terrific force and vitality. Many preparatory sketches for mostly unrealised projects and ends with his allegorical drawings of dragons, elephants and cats. Ends Sept 30.

No, No, Nanette/Theatre Royal, Brighton

A twinge of disappointment shot through the Theatre Royal Brighton when it was announced that illness had forced Noel Gordon to withdraw from this touring version of No, No, Nanette. Stepping into the breach, at the shortest of notice, was Mofra Lister.

Whether it is this unsettling experience which sapped the vitality from Roger Redfern's production I do not know but in the first act in particular only Terry Parsons lush and lovely "twenties sets and costumes seemed to hold the enterprise together. There is nothing in the book by Harbach and Mandel to justify this revival; the singing was variable in the extreme; and the band settled

for brassness. Miss Lister held up well, only falling below standard with her singing. Since some of the other leading roles were taken by weak singers the enduring quality of No, No, Nanette, songs like "Tea for Two" and "I want to be happy", was watered down. Only Josephine Blake commanded the stage, although Michael Romick and Julie-Anne Blythen as the young lovers had their moments. This production began life at the Theatre Royal Plymouth and is touring the country. It is always interesting to see these famous musicals and as a spectacle No, No, Nanette is worth catching eye-strain for. But just taking a famous musical from the shelf and dusting it down is not enough, even with beautiful packaging. There needs to be more commitment and imagination.

Advertisement for BET (Building Efficiency Trust) featuring large text: £240m + 14% = £625m and £14.5m + 18% = 2.5%. The ad describes the market for windows in new homes in the UK, reaching £240 million last year, and promotes BET's construction services. It includes contact information for Neil Ryder, BET PLC, Stratton House, Piccadilly, London W1X 6AS.

PARIS Marmottan's Manet: For lovers of Impressionism, the Musée Marmottan is a must. A charming town house set in greenery, it houses an important collection of paintings and drawings by Claude Monet and his friends, including the famous oil,

FINANCIAL TIMES

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Thursday September 20 1984

The threat to world trade

PILGRIMS joining the annual procession at Echternach in the Grand Duchy of Luxembourg proceed in a strange way: for each two steps forward, they take one back. But eventually reach their shrine.
The world's procession towards free trade, begun so hopefully in the 1950s and 1960s, has slowed down into something even more laborious than the Echternach procession. By now it looks as though each step forward is matched by one in reverse. The shrine looks as distant as ever. The Tokyo Round of tariff cutting at the Gatt was a big step forward. It promises to bring tariff levels down to their lowest post-war levels. But there is no less important a step back: the ever closer network of orderly marketing agreements and voluntary export restrictions imposed outside the GATT.

The pattern is repeated in President Reagan's rejection of a recommendation of the U.S. International Trade Commission that additional quotas and higher tariffs should be imposed upon imports of steel to assist an already well protected domestic steel industry. So far so good.

But simultaneously the President decided to reaffirm existing so-called voluntary restraint agreements with countries exporting steel to the U.S. and to negotiate additional ones with countries not yet subjected to such controls. More than that, the Administration intends to support legislation making these voluntary agreements enforceable at the U.S. border, giving them greater standing than they already have.

Discrimination
When they were initially devised, voluntary restraint agreements were justified on the grounds that, being voluntary, they would allow the Gatt principle of non-discrimination to survive in principle. An occasional lapse from grace, as it were, need not spell eternal damnation. That argument has become extremely difficult to sustain.

Not only the U.S. but the European Community, in one way or another discriminates against steel imports by means that are difficult to reconcile at least with the spirit of Gatt. World textile trade is governed by the Multi-Fibre Agreement. Europe and North America have negotiated self-restraint agreements with the Japanese motor industry. Japan, too, has its non-tariff barriers, though they may be hard to define precisely, and the Nakasone Government

What comes after the GLC?

THE ELECTORATE in four of Greater London's 92 local constituencies has a chance to wander along to the polls today in the latest episode of Mr Ken Livingstone's controversial but effective publicity campaign against the Government's proposals to abolish the Greater London Council in 1986.

There is nothing particularly surprising about publicity campaigns in politics but it does mean that whatever the results of calling four by-elections to "give Londoners a voice" they must not be accorded too much significance. Today's diversion has nothing to do with the key problem: how is the capital to be governed?

For a century or more London has had capital-wide local government. It has been reformed several times, always for overtly political reasons. In the early 1960s the Conservative enlarged the London County Council area, which they had found unwilling, to take in the "bluer" outer London suburbs. This produced the GLC, control of which has oscillated between Labour and the Tories. But it never had powers to match its purpose. Although it was established at the height of the fashion for grandiose development and strategic structural plans it fell between two stools from the beginning. Both Parliament and the 36 boroughs retained to many powers, leaving the GLC impotent.

has undertaken to do something about them.
World trade is by now substantially distorted by these and similar restrictions with the inevitable effect upon efficiency. Guesses have been made that non-tariff barriers affect close to half of world trade. The precise proportion is almost impossible to estimate since available statistics measure actual flows—not those that might have been if the hurdles were not there.

Two points should, however, be borne in mind. Under the effect of recession and structural crises in many manufacturing countries the obstacles to trade have multiplied of late; and, second, few if any countries—and above all not the developed ones—have avoided taking that route.

The distortions caused by the Common Agricultural Policy of the European Community hardly need mentioning. Not only has that policy all but closed traditional European markets to low-cost overseas producers, it has also hurt them in other markets where the EEC has dumped its farm surpluses.

Steel imports
Such secondary effects are common and often are not intended by the countries that resort to restrictions. Voluntary export restraint on the part of Japan, for instance, as the most efficient producer of an article of trade, may well not benefit the home industry on whose behalf it is negotiated. Japanese restraint may merely create a clear field for imports from elsewhere.

The net result will be that the home industry is not protected—and that imports, instead of coming from the most efficient and, presumably, cheapest source, will come in from the second most efficient. That pattern can be detected behind the announcement from Washington on Tuesday about steel imports. Existing voluntary restraint agreements are not enough: new ones have to be negotiated.

This piecemeal progress towards self-protectionism is, thus, self-accelerating. It needs to be arrested in the interests of clearing obstacles to efficiency and, hence, to growth. It needs to be arrested, too, if Third World producers are to be allowed to earn their keep, and to service their debts. Soon one step forward may soon be matched by two steps back.

but not their functions. Some minor functions will pass to the boroughs but other subjects such as planning will have to be administered by quangos. And major services such as fire and refuse collection are to be run by joint boards and joint committees of borough councillors.

The new bodies thus created will be empowered to extract funds from ratepayers for their services, but 80 per cent of their costs will no longer be subject to direct approval or disapproval through the ballot box. Such a diminution in accountability stemming from Government commitment to strengthening the links between local expenditure and taxation, underlines the extent to which the end has come before the means.

The principle of unitary local government where it can be created without loss of efficiency and accountability is a desirable general objective. But London is different. It is both a collection of villages and small towns strung together by in-fill development and traffic jams and a cohesive capital city of international importance. The boroughs cater for the first; a city-wide authority—directly elected, with independent taxation revenues and powers to match its functions and status—is required for the second.

Education
The plans for education suggest a possible approach. In inner London, where most boroughs are too small to become independent education authorities, this service is to remain with the directly elected Inner London Education Authority with full rating powers. The outer London boroughs are effective and coherent units of accountable local government, each also providing its own education service. So a new capital body could be confined to the inner area where economies of scale and a community of interest exist over highways, planning, refuse disposal, fire, the arts, and to a certain extent, tourism and related industries. The need to facilitate job mobility suggests that a strategic functions on housing might also be helpful.

EVERYONE knows that the dollar is overvalued. My book tells me it is going up. London exchange dealer, quoted in 1983.
The turning point may be hours, weeks, months or years ahead. Macroeconomics does not give the answer to any of the questions politicians and businessmen ask of it.—Samuel Brittan, Geneva, September 9, 1984.

The incredible rise of the dollar—incredible, that is, to those who suppose that excessive credit expansion and large foreign deficits will rapidly weaken a currency, as French and British experience suggests—has been sustained for more than two years now, yet economists have yet to come up with any really satisfactory explanation of it. This does not mean that there are no explanations—there are almost as many as there are international economists. However, none of them are robust enough to generate even roughly plausible forecasts of what will happen next.

This unpredictability should not surprise anyone who is engaged in any form of financial investment. Stock market prices can swing through large peaks and troughs in a way which has no relation at all to the actual supply of new stock to the market. During a swing in either direction, market sentiment tends to feed on itself, so that markets overshoot and then return towards some trend line.

These divergences from trend are not only wholly unrelated to the supply of stock—indeed, if companies reacted quickly enough, and flooded the market with new issues when prices were attractive, the swing would be much less—but they are also largely unrelated to the "fundamentals"—the expected developments of the economy and of earnings. Economists in the stock market try to detect what these fundamentals are, and the underlying trends—but it is left to "technical" analysis—chartism, to the sceptics—to guess at market psychology and coming turning-points.

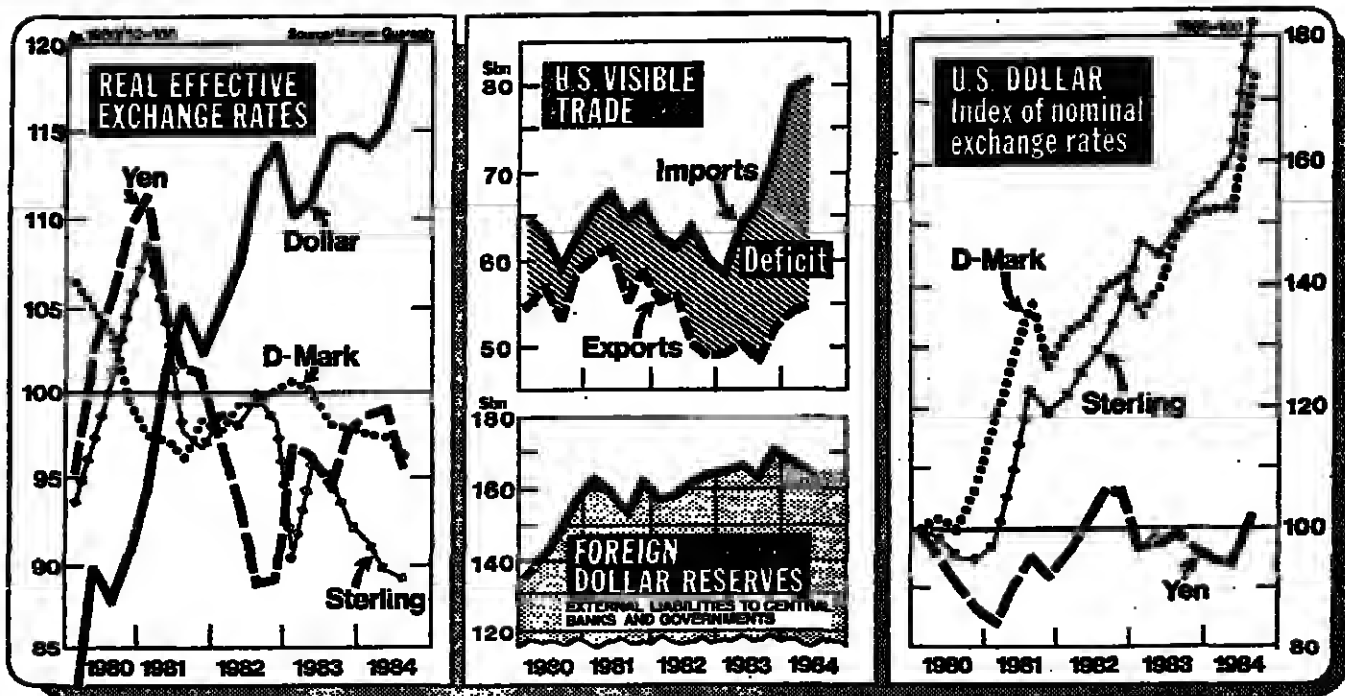
The cut has become more and more like a turbulent stock market since exchange rates were floated in 1971. As markets have become more "efficient", they have become more and more speculative.

Volatility is not all that the markets have in common. The currency markets have become less and less concerned with trading demand for currencies, just as stock markets are less and less concerned with industry's need for new capital.

The central banks, which could fulfil the role of new issuers in meeting a boom in demand, have been more and more reluctant to intervene at all. There is now virtually no net trade across the exchanges, for the net talk of capital movements. For every private buyer there is a private seller.

Things were not always like this. For a long time after 1971 central banks had quite strong views, based on the economic fundamentals, of where exchange rates "ought" to be, and were prepared to back their opinion with heavy money. This intervention reached a climax during the regime of President Carter, when the U.S. had a weak current account and low interest rates, and the dollar was always trying to fall.

But the forces to over-print their own currencies in order to buy up unwanted dollars, protested in concert, since they feared that their



The dollar: why the experts are baffled

By Anthony Harris

own monetary policy would be undermined. Britain stopped buying reserves and "uncapped" the exchange rate in October 1977. Within two years Mr Paul Volcker was in control at the Fed and President Reagan in the White House, and intervention has been out of fashion ever since.

This change has ushered in not only the golden age of the dollar, but the golden age of essentially speculative dealing. The Chicago futures markets,

Almost as many explanations as economists

the tall that increasingly tends to wag the dog of spot markets, are completely dominated by chartists. This is ultra-fever—a market consisting, as they like to joke, of the quick and the dead.

In this kind of market, any honest economist must bow out of the forecasting game. Indeed, they have now dignified their inability to forecast market swings with a full-blown theory. Reduced to the absurd, this theory has generated a legend: a student was walking with his efficient-market-theorist of a Professor when he saw a \$100 bill lying in the gutter, and pointed it out with some excitement.

"It can't be there," said the Professor. "If it was, somebody would have picked it up."

However, economics is not really as helpless as this might suggest. (For the implication is that if there were any sound theory to explain events, somebody would already have discovered it.) Economics cannot say where the dollar will stand

tomorrow (though some dealers thought they detected a turning point on Tuesday night), or whether it will fall next year, as Stephen Marris, a former OECD official believes, or in 1986 as Dr Henry Kaufman has suggested.

Economists can, however, say something about long-term trends. They can say that no country can remain in large current-account deficit for ever, for in the end the burden of paying interest on the accumulating debt will undermine the economy. They can also say that the U.S. cannot get back towards current account balance unless the real exchange rate falls.

However, this seemingly commonsense analysis begs at least as many questions as it answers. How large is a "large" deficit? It is simply one which causes the burden of interest and dividend payments (for foreign investors buy U.S. shares as well as U.S. bank deposits) to grow faster than the growth of the economy can sustain. Unfortunately we do not know the present size of the U.S. deficit, for there is a \$100bn residual error in the world statistics.

But whatever its size, the average debt service cost is about 10 per cent, and within 10 years the U.S. current account deficit on everything other than debt service will have to be eliminated if the net current account balance is not to get worse.

In short, the present, unknown deficit cannot be sustained indefinitely unless the appetite of the rest of the world for U.S. assets grows with eating rather than becoming satiated, and even if it can, U.S. competitiveness must improve substantially.

Bulls of the dollar suppose that this will be achieved by

keener relative costs rather than by a depreciation in the nominal exchange rate. This is just—but only just—within the bounds of plausibility, an outside chance. The odds must favour a large correction in the dollar sooner or later.

But if the deficit implies a lower exchange rate, why have the markets pushed it up rather than down? This is still the central puzzle. Economists, ever ready to be wise after the event, have developed a range of explanations, all of which will be tested as time goes by.

The oddest at first sight, yet it is an explanation which now enjoys quite general support in the profession, is that a large current account deficit and a high exchange rate naturally go together. As a general statement, this is clearly nonsense, but it is true under one condition: if a large deficit can really be financed by willing capital investment, then the exchange rate will tend to be high, in the sense of making exports uncompetitive.

This may sound odd, but it is not. A country whose citizens and corporations can readily borrow abroad has to sell that much less by way of merchandise to pay for its imports.

If we look, for a moment through the other end of the telescope, at Japan, we can see such a situation being maintained indefinitely. Japan is a large exporter of capital, because the Japanese economy as a whole saves more than it feels able to invest at home.

This means that exports of goods must pay for these capital flows as well as for imports of raw materials. Japan has a huge, perennial surplus in merchandise trade, and an exchange rate which makes this possible.

The U.S. situation is just the reverse of that of Japan. The

country does not save enough to finance its investment (mainly because the Government itself is now in such large deficit). Although it is largely self-sufficient in raw materials, it has a drastic merchandise deficit.

As long as foreign investors remain confident about the U.S., this will be a stable situation. However, foreign confidence is not nearly as reliable as Japanese thrift. Some economists have described this

The likeliest explanation is the simplest

U.S. situation as "stable but not sustainable." We can thus see that it takes a combination of the deficit (which means that U.S. industry does not have to be internationally competitive) and foreign confidence (which persuades Dr Herbert Giersch of the Kiel Institute that the dollar will remain airborne for the foreseeable future) to make the present high real exchange rate sustainable, even for the time being. However, we have still not found a cause. There are necessary but not sufficient conditions—otherwise the dollar would also have been strong under President Carter. It is time to bring in the factor which dominates market sentiment—interest rates.

The strength of real interest rates in the last two or three years has been as unexpected as it has provoked as much hand-sight as the strength of the dollar itself.

Among other explanations on offer are expectations about inflation, general uncertainty

about everything, and simply the American fiscal deficit. Each is quite plausible, but none is really persuasive, for the result is so much more dramatic than the supposed causes.

Thus, if we run through them, it is really true that the markets are haunted by fears of a large rise in inflation? There is no independent evidence of such fears, and a good deal by way of opinion surveys to contradict the idea. Indeed, the markets themselves tell a different story—gold, the traditional inflation hedge, is in the doldrums, U.S. real estate has been something of a disaster, and even in London indexed bonds are out of favour.

Indeed, the whole analysis is just a piece of circular reasoning: those who believe that interest rates measure inflation expectations then argue that expectations must be high because rates are high. This is evident nonsense.

The other ideas stand up little better. Uncertainty does make people reluctant to commit their money, and so worries those trying to control the money supply; but real crises drive rates down, not up, as we saw in the flight into quality in 1982. The U.S. fiscal deficit is large, it is true; but if we look at the OECD as a whole, the picture is very different. Policy in most other countries is quite tight. The big jump in deficit was in the mid-70s, when industrialised nations were far behind, not in the '80s, when the lead changed.

The likeliest explanation is surely the simplest: a rising price and rising real borrowing costs tell us that there is a dollar shortage outside the U.S. money supply has been apparently under control both under President Reagan and President Carter, but the supply of dollars outside the U.S. has almost stopped growing.

Again, as with the current account deficit, it is enragingly impossible to be precise; but even the imprecise figures we have show something dramatic. Dollar reserves in central banks, which were growing at some 20 per cent annually when the dollar was weak, actually fell by more than 50 per cent between 1981 and 1983, when Euro-market holdings are included.

Private holdings of dollars by non-Americans are much harder to measure. BIS figures suggest that the growth rate in respectable reporting banks fell from about 10 per cent in 1981 (and much higher rates earlier) to 2 or 3 per cent annually in 1982 and 1983. Meanwhile holdings in non-reporting centres such as the Cayman Islands have certainly fallen as banking fears have spread.

In short, American monetary policy has still to get the measure of its responsibility for managing a world currency. Under President Carter, the Fed took no notice of the explosive growth of offshore money and dollar reserves, until other countries protested. Under the defunct Mr Paul Volcker, the Fed has taken no account of the shortfall in offshore dollar growth and the fact that his policies have imposed a dollar squeeze on the rest of the world. The Fed suffers from tunnel vision.

Will the Administration and the Fed continue to behave as if the outside world were no concern of theirs? Short of a full-blown dollar or banking crisis, the odds appear to be that they will. And if present unbalanced policies persist, will world investors remain happy to finance the U.S. deficit? That, alas, is where we came in.

Sangster takes the stage

Robert Sangster, who took over yesterday as chairman of the Apollo Leisure Group, which owns theatres around Britain, can be forgiven for thinking he has picked winners.

His appropriately named horse, Sadlers Wells, has just carried off the richest prize in European racing, the Phoenix Championship Stakes in Dublin. Sangster, aged 48, has also won the Derby of race and is reckoned to be the most successful race-borse owner in the world.

Now he is turning his talents to picking good theatrical investments. He has been a silent backer of Apollo for some time. The company came out of the north from Southampton and Sangster has always kept his roots nourished. Vernon Pools of Liverpool is the source of the family money.

His arrival at Apollo suggests that the group may eventually follow the public route through a City quote. In the treacherous waters of the West End Apollo has had more successes than failures—the Apollo Theatre, Victoria, is currently presenting Starlight Express—and the group is believed to be interested in expanding by acquiring some of the London theatres on the market.

Shares on

Eric C. George, deputy general secretary of the Post Office Engineering Union, is warning the premise that there is no such thing as a free lunch. His members among the 240,000 British Telecom work force are being advised by him how not to accept the £70 worth of free shares promised to every employee when BT is privatised later this year.

Men and Matters

ployee can protect himself or herself from accepting them. Called "How not to have shares in BT" his circular bids for and against the shares under follow. Until, that is, another progressive official advises his members, "How to avoid your next pay rise."

Sporting touch
Few men have been so adept at turning rising stars of sport and entertainment into satisfactory cash flows as Mar McCormack, head of his own company, International Management Group.

McCormack, who is in London this week to push his book "What They Don't Teach You at Harvard Business School," started by managing and marketing the golfer Arnold Palmer. Now he teaches international corporations interest in mega-bid investments how to use sport to advantage.

The sports stars he took on now have their finances managed by his group. He also owns fashion agencies, and has represented the Nobel Foundation and the Vatican. He is TV consultant for the 1988 winter and summer Olympic Games and employs 450 people in 15 offices worldwide.

To underline the point that business is grossing between \$200m and \$300m a year in revenue. Perhaps the best anecdote to illustrate McCormack's book—naturally a crisp and professional job—is the one about two Harvard Business School graduates.

The brighter became an assistant branch manager at the local bank. The duffer of the duo became a multi-millionaire. Asked how he had done it the duffer replied, "It was easy. I bought something at \$2 and

sold it at \$5—and, you know, a three per cent mar-up can't be band."

Clear profits
THE £450 that George Williams put into a double glazing business 18 years ago was worth nearly £25m yesterday when he sold Anglian Windows to British Electric Tractor.

Williams, now 56, will be staying with Anglian for at least another two years as chairman but says that after nearly two decades of running his own business he is keen to share the load.

He started his career in the unlikely business of sexing chickens for poultry farmers in Norfolk. When that business started to be dominated by large companies he went part-time into the double glazing business before opting for it full-time with a showroom in Ipswich.

Surprising as it may seem now when every other knock at the

door is from a double-glazing salesman the idea was once new. Customer resistance was hard to overcome back in the 1960s.

But Williams persevered and his company is now number two in the double-glazing league with a turnover of £31.5m, a network of 118 showrooms and 49 branches round the country.

Unlike his near neighbour, the East Anglian turkey man Ben Matthews, Williams has kept a low profile

Italian style
Lunch at one of Milan's discreetly elegant restaurants, and dinner in New York with the Governor of the Bank of Italy, calls for a certain amount of energy together with good connecting flights.

Italy's superstar merchant banker Mario D'Urso contrived both yesterday.

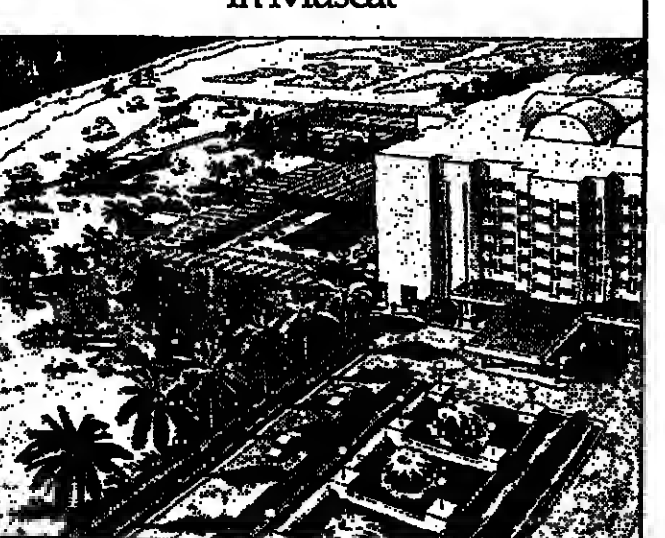
He left Italy after hosting a lavish lunch, only 12 months ago he was disengaged from Lehman Brothers, the Wall Street securities house, with a \$3m handshake. Now he is back with the old firm as a managing director in charge of international accounts.

"But I will still work at Kissinger Associates in New York," explained a beaming D'Urso, who plans to spend a week each month working on Lehman's international business. That will include Euro-market deals and a brand new Italy Fund which, D'Urso hopes, will attract up to \$50m to start with. His firm will be divided between New York, London, Rome and Milan.

The jet-setter D'Urso was joined at the Milan lunch yesterday by Nat Samuels, a senior Lehman man who served as Richard Nixon's Under-Secretary of State for Economic Affairs. Samuels, an old-style Wall Street insider, concurred with D'Urso's declaration. "We are very bullish on Italian industry."

The idea of the Italy Fund, which has yet to be formally constituted, is to attract dollar funds in the U.S. and Japan for investment in Italy.

In Muscat



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Observer

IN view of the importance of Dr David Owen's proposals for "giving" ordinary citizens a share in the ownership of capital assets, it is worth quoting his exact words. As the SDP leader has made very clear that he has drawn upon some ideas of mine, this is another reason why his words surely deserve a place in this column.

"The wrong way to emphasise the 'social' part of the 'social market economy' is to water down the emphasis on the market place in the commercial life of the nation. The best way of promoting a progressive and prosperous social market economy is to insist on a more widely dispersed ownership of property and assets, so that the benefits, and the degree of personal independence, are as widely available as possible—instead of being confined to the few."

"We need direct measures to give ordinary citizens a stake in the ownership of productive assets. Instead of state assets being sold to institutional investors, as under the present form of Tory privatisation proposals, there is a strong case if they are to be sold, that those shares should be 'given' to every adult citizen. It would mean state revenues would be paid out directly to all citizens, whose entitlement could be sold on the market."

"Incidentally, the workers in the industries concerned could and should still be given a preferential allocation of shares. And the mix between worker ownership and citizen ownership would vary."

"Going further still, there is a case for public unit trusts whose shares would be distributed to all citizens, whom a growing proportion of the equity of each major company in the land would be transferred."

Dr Owen's speech marks the first advocacy of these ideas by a national politician leader and puts them on the public agenda. But they have had a long intellectual history.

Economic Viewpoint

The case for capital ownership for all

By Samuel Brittan

for making these the sole form of business enterprise and there are disadvantages in workers having all their eggs—their equity property as well as their wage—in one basket.

The concept of free distribution to all citizens of a right to a share in revenues from national assets originated in my case with North Sea oil.

The "privatisation" programme of the present Government, provides another opportunity for the mass distribution of saleable rights to dividend income. The suggestion I made in Financial Times articles (and in more detail in The Political Quarterly of April-June 1984) was that instead of state assets being sold to investors, shares in them should be "given" to every adult citizen on a pro rata basis.

It is only fair to admit, that if the state assets are "given away" there will be less scope for cutting taxes than if they are sold (or more need to increase taxes if fiscal developments are adverse). Instead of obtaining tax cuts, citizens will instead have dividend payments on their denationalised shares. These dividend payments would have the following advantages:

(b) Capitalisation. Even more important: holders of the new stock would be able to realise their assets in the market, or borrow on their strength, and thus have the benefits of wealth ownership.

There is not, on the other hand, and could hardly be, a market in rights to hypothetical future tax cuts.

In contrast to both nationalisation and privatisation—which if carried out at "fair market prices" leaves the distribution of wealth unchanged—privatisation which takes the form of handing over shares to all citizens without payment does help make the distribution of capital assets less concentrated.

The main distasteful feature of investment or unearned income is that too few of us have it. Writers down the ages have rung the bell of a "modest competence," i.e. private income, and the sense of independence it brings. It would be worth extending this undoubted privilege more widely. Popular ownership of shares in the formerly majority allied industries would only be a small step in shifting the distribution of capital ownership, but it would be a worthwhile start.

modest. My own estimate was that a family of two adults would have a stake worth £2,500 with dividend income approaching £150 (assuming a very slightly higher yield than on existing equities).

The North Sea oil stock if it had come off, might have provided the same family with an annual income of £500 during the peak years of oil revenue and be worth perhaps £4,000. So the two schemes together would have been far from negligible, and this fact emphasises how important it is to seize any opportunity for mass ownership that arises.

It is in order to broaden mass ownership from that of the hitherto nationalised industries to the formerly majority allied industries would only be a small step in shifting the distribution of capital ownership, but it would be a worthwhile start.

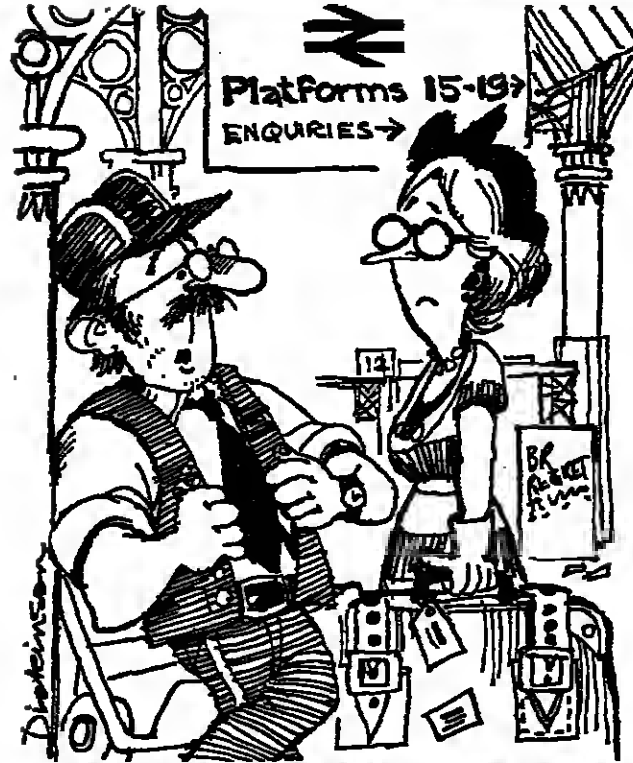
The one plausible objection to mass handover of state shares is that the amounts involved per family would be

much more detailed work. It would involve many problems—not only the details of share distributions such as whether they would be made out of profits, as in some existing profit-sharing schemes, or by issuing new equity in prescribed annual amounts. More important would be the treatment of unincorporated companies and property and land ownership, which in practice provide much of today's "unearned income," difficult though it is to locate in the statistics.

The basic reason why the average individual gain from a stake in the state sector or even in the whole private sector might be modest is that the return on capital in the last decade has been very low. (I have assumed some improvement in the nationalised industries, after disposal, but nothing sensational.)

This brings me to the wider economic aspects, on which Dr Owen is so far uncommitted, but on which others have written. This is the possible need for a fall in the price of labour and rise in the return on capital if full employment is to be restored. (Prof Herbert Giersch of Kiel suggested that European real wages are 10 to 15 per cent above market clearing rates.)

Were it not for the unemployment horrors, mass share owner-



"Of course, if they give us all shares, I shall demand a return to a six-day week and reduce the holidays and..."

ship would be mainly a distributional improvement. The need to piece labour back to work forces it, however, to the front of the political agenda. For if capital is to receive more and labour to receive less, the ownership of capital becomes vital. The social arguments against an increase in either the yield on capital or its share in the national income disappears if capital is widely distributed among ordinary citizens and if nearly everyone is able to participate in its rewards.

The possible dilemmas we face are vividly described by Prof James Meade in the Journal of Social Policy (Vol. 13, No. 1, 1984). This is the new form of capital equipment might be close and efficient substitutes for labour ("with flexible, intelligent or semi-intelligent powers of receiving, analysing and responding to data") so that at prevailing wage rates capital equipment became far more profitable to employ at the margin than labour.

Wages might then fall enough to maintain full employment, but at the expense of a highly concentrated distribution of income "with the rich owners of robots employing a large number of paid botlers and other servants." An alternative and more likely result would be that unions would be able to hold up the real wage level, for a diminishingly employed labour force, while "a large part of the available workers would have joined the black school leavers from Britain."

Prof Meade labels these deliberately "stark and simple" stories as "fables." But his conclusion is that real wages should be allowed to "change to the extent necessary to provide employment opportunities to all who want them; and this would be possible or tolerable if everyone enjoyed a fair share of the profits earned on the robots, computers and tapes, and indeed on property in general."

The policy suggestion thus does not depend on the accuracy of the technocratic vision. If robots can really be cheap substitutes for human labour, mass property ownership would turn this development into a great blessing rather than a catastrophe. But mass share ownership would also make tolerable the distributional effects of the less drastic shift in the relative rewards of labour and capital, which we will need to restore full employment even without science-fiction developments. Mass share ownership is desirable both for social reasons at any time and necessary as present as an insurance against the unforeseeable effects of economic and technological change.

Lombard Mortgage rate dilemmas

By CLIVE WOLMAN

IT HAS TAKEN a year. But at last, home-owners with mortgages are starting to suffer the consequences of the breakup of the building society cartel.

On one view, the worst has yet to come. Only when interest rates on home loans have risen sufficiently to nullify the benefits of tax relief—which would imply a rate of about 15.5 per cent or nearly 5 per cent over bank base rates—will mortgage demand be brought into line with the supply of funds.

This gloomy outlook has one attraction: the utility of subsidising mortgage interest rates as a way of promoting home ownership would become obvious, perhaps even to the Prime Minister. For in these circumstances, the entire subsidy would be pocketed by building society investors—at the expense of the borrowers and of the third beneficiaries of the subsidy, the existing home owners. They would lose out as the upward pressure on house prices, fuelled by rising demand, faded away.

The argument behind this scenario, however, needs to be examined more closely.

Investors in building societies, it runs, have to pay income tax on all their interest. So the building societies are forced to offer them much higher grossed-up interest rates in order to compete in a highly sensitive market with tax-privileged forms of saving. These include the tax-exempt National Savings Certificates, low-coupon government securities, personal or self-employed pension plans and more sophisticated tax avoidance schemes.

The extra cost of raising funds to be passed on to the borrower. But they are willing to pay the extra because the cost of other forms of borrowing such as overdrafts or personal loans, which are denied tax relief, is even higher. And home owners have increasingly found ways of using mortgages to finance indirectly other expenditure.

Housing credit has for many years been growing much faster than the value of privately owned houses.

borrowers, the argument runs, is that the building societies' "benign" cartel has held down interest rates over the years to below the market clearing level.

Mortgages have then been rationed amongst the societies' favourite customers and, until the last few weeks, advertising the interest rates, their long-term liability structure gives them an advantage over building societies which have to borrow short and lend long.

The higher rates now available may serve to overcome the trustees' traditional inertia.

The other possibility is to raise relatively cheap, tax-sheltered money via the world capital markets.

This, it appears, is the strategy of the U.S. banks in London which have started offering mortgages.

It will take several years for developments such as these to unwind. But if the building societies are not to lose more and more of their market share, they will have to change their ways.

Reimposing the cartel, even if it were feasible, is unlikely to avert the outside competitive forces. A more attractive strategy might be for them to press for greater access to the wholesale money markets than that envisaged in July's Green Paper, and to exploit more effectively the personal pension market.

Best of all would be for the Government to sort out the mess which has developed the taxation of savings so the building societies could compete on an equal footing with everyone else and, at the same time, abolish mortgage interest tax relief.

Let miners have uneconomic pits

From Mr W. Kenyon, Sir.—Under present circumstances there seems to be little possibility of the two sides in the coal mining dispute ever agreeing a basis on which serious discussion can begin.

Yet provided that both sides can acknowledge that accountancy is not the exact science to which it seems to have been elevated, and understand that the answers provided by accountants depend very much on the starting assumptions, a possibility exists of a reasonable resolution of the present problems.

If agreement were to be reached that every "uneconomic" pit (as defined by the method of accounting) were to be offered free of charge either to the local community or the NUM, the continuing operation of the pit would be free of all interest and depreciation charges—which it currently bears—and which probably make the difference in many cases between "economic" and "uneconomic" working.

The NCB would be relieved of the continuing losses and the costs and redundancies for pits, the assets of which would be written off in any case on closure. The miners, on the other hand, would be able to produce coal at a price which freed them from the burdens imposed by the NCB methods of accountancy, would presumably be attractive in the free market and would continue to do so until the stock of production rose so as to price the coal out of the market.

As part of the agreement, all profits in the future must be reinvested in activities which would promote the economic health of the local community and to provide for a time when inevitably it would no longer be desirable to continue to work the pit. It has been obviously a matter for the new owners of the mine to decide how much they could afford to pay its employees in order to produce coal at a saleable price and would not represent any net loss to the community.

I believe that a proposal on these lines could be rejected only as a result of complete intransigence and negotiating bad faith. The solution is so obvious that I find it difficult to believe that it has not been considered. If it has, can one be told why it has been rejected and by whom?

W. Kenyon, Longridge, Tolboi Road, Borden, Aitricheam, Cheshire.

Losses at the Coal Board

From Mr D. R. Myddleton, Sir.—Mr S. P. Chakravarty (September 8) has not reported the National Coal Board's 1983-84 accounts carefully enough. He converts the reported £410m loss before interest into a "profit" of £35m

Letters to the Editor

Longer shop opening hours

From the Executive Director of Woolworth Holdings, Sir.—Mr Pattinson's letter (September 12) on shop opening hours ignores many arguments which deserve close attention. No doubt these and many other matters will be fully considered in the forthcoming but much-awaited report from the Government's Committee of Inquiry on the subject and in the subsequent public debate.

There are three major points in the interim: First, our research in several countries which have liberal shop opening hours indicates no evidence at all of higher prices. The best example, since it is closest to home, is Scotland.

Second, the suggestion that the advocates of free shopping hours are the "unsuccessful groups" does not stand up to scrutiny. The proponents of free trading hours include such highly successful retailers as Asda, Habitat/Mothercare, Harris Queensway, and W. H. Smith, as well as two members of our own group—B & Q and Comet.

Third, Mr Pattinson ignores the key element in the debate—meeting the needs and wishes of customers. All the evidence points to a substantial majority of the public wanting to see longer shopping hours in the week and Sunday opening.

Following legal proceedings, our Woolworth subsidiary closed its Kensington and Southall stores last Sunday in spite of substantial customer demand for them to be open. What is particularly galling is that there were approximately 87 stores open in the Southall area on that day, all free to meet the evident needs of their customers.

One thing is clear. The sooner the Government receives the Committee of Inquiry's report, and acts on it, the better. Nigel Whittaker, Woolworth Holdings, 242-246 Marblebone Road, NW1.

Lessons of the 28th issue

From Mr D. G. Jones, Sir.—While I believe there are lessons to be learned from the withdrawal of the 28th issue of National Savings Certificates (Leader page, September 13) I suggest they are different from yours.

In the United States tax-exempt bonds have been available for many years. While U.S. taxable interest rates are currently higher than UK rates the U.S. tax-exempt market rates are as low as 5 per cent. The lesson appears to be that if the government was more sophisticated in its approach to this market it would pay less. It had been bidding up rates, which was bad for borrowers, taxpayers and the economy in general.

Turning to the deductibility of mortgage interest, I would agree that this is a gross distortion. One remedy is not to defeat the currency with high interest rates but to join the EMS. In general, EMS member interest rates are lower and this appears a more economical solution for defending against the dollar's strength. Alternatively, if we have to compete with the Americans with high interest rates let us do so on equal terms.

American consumption and the economy is not depressed by their level of interest rates, principally because all interest expense is tax-deductible. If you must have this higher level of interest rates UK taxpayers should have all interest expense deductible which would remove the distortions of which you complain and help us to compete with the U.S.

D. G. Jones, 11, Deepdene Drive, Dorking, Surrey.

Sunday shopping in New York

From Mr A. T. Kroft, Sir.—Mr Peter Lewis, Chairman of John Lewis, does not have the buying public in mind when he adopts his intransigent attitude against Sunday trading (September 3). I returned this morning from New York, where Sunday and public holiday shopping, not to mention late night shopping, is very popular and universal

among large stores. On Sunday I stopped in a supermarket to look around. I also purchased two domestic appliances in the evening at a special price for my Long Island home. In both stores, shoppers abounded and employees were cheerfully selling despite it being a Sunday.

Prices, by the way, in both food and appliances are considerably lower than in the UK and my appliances are being installed tomorrow, not in several weeks as would be our norm in the UK. Anthony T. Kraft, 43 Stoveley Road, Chiswick, W4.

Information technology

Sir.—Government decisions on the closure of the Office for Scientific and Technical Information's Documentation Processing Centre in 1971, have contributed to the present crisis in the information technology industry (September 3).

This Manchester-based centre was in some respects ahead of its time; but, in its short lifetime, it attracted a high-calibre staff, and its closure has had an influence quite out of proportion to its size.

Conceived in "white heat" days, and located within the Government's Science and Technology Centre, it was closed as an economy measure by action of the Secretary of State, Mrs M. Thatcher, after the order of £1m (early 1970s currency) of taxpayers' money had been expended in setting it up. The centre's carefully assembled staff, whose collective expertise and judgement were becoming points to a substantial majority of the public wanting to see longer shopping hours in the week and Sunday opening.

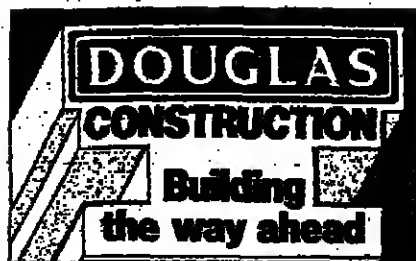
The closure was to the consternation—expressed in Parliament—of Mr Airey Neave, then the Government's respected authority on scientific affairs, and must have been to the surprise of the country's nascent overseas competitors in information technology.

The sum saved has turned out to be trivial in comparison with sums "thrown at the industry" in subsequent years and paltry when compared with the country's present adverse trade balance in information technology. I would not wish to exaggerate the eventual role that the centre might have played; but it would undoubtedly have provided effective and impartial advice to Government.

The Commercial Bank of Kuwait is pleased to announce the opening of its New York branch.

THE Commercial Bank of Kuwait, one of the largest banks in the Middle East with a total balance sheet in excess of US\$8 billion, is pleased to announce the opening of its first overseas branch at 350 Park Avenue, New York. Capitalising on Kuwait's long trading and investment association with the United States (second biggest source of imports for Kuwait) Commercial Bank's new federal branch offers a comprehensive range of banking services, specialising in trade, contract bid and performance financing. To find out how we can help you, contact our Senior Vice President and Chief Manager, Douglas A. Villepique.

البنك التجاري الكويتي Commercial Bank of Kuwait 350 Park Avenue, New York 10022. Telephone 0101 (212) 319 7790. Telex 421 744A CBK NY. also P.O. Box 2861 Safat, Kuwait. Telephone 2411001 Telex 22004



SECTION II - INTERNATIONAL COMPANIES

FINANCIAL TIMES

Thursday September 20 1984



COMPTROLLER OF THE CURRENCY DEFENDS ROLE IN CHICAGO BANK AFFAIR

Continental crisis was 'inevitable'

By Paul Taylor in Washington

MR C. TODD CONOVER, the U.S. Comptroller of the Currency, yesterday told Congressional investigators examining the near failure of Continental Illinois, the Chicago banking group, that there was little if anything his office could have done to avert the bank's demise.

Mr Conover, appearing before the House banking committee, fiercely defended his agency's role in supervising Continental and the controversial \$4.9bn rescue package which proved necessary in July to prevent the bank's collapse.

"I am persuaded that since mid-1982, there was nothing more that we could have done to speed Continental's recovery and thereby increase confidence," the Federal regulator said.

Nevertheless Mr Conover accepted that, in retrospect, his agency's favourable assessment of Continental Illinois' internal controls "was only influenced by the banks outstanding performance during the years 1974-1981."

Mr Fernand St Germain, the Democratic chairman of the committee, had accused the Comptroller's office of being "paralysed, unable or unwilling to take remedial action," even when Continental's problems surfaced. Mr Conover, however, laid the blame for the bank's problems on its over-aggressive loan expansion in the late 1970s, coupled with insufficient management controls over high-risk loans - particularly those energy loans which Continental had bought from the failed Penn Square Bank of Oklahoma City.

Mr Conover said that it was not until 1982 that his agency became aware of the dangers implicit in Continental's rapid loan expansion.

Subsequently, the comptroller revealed, his office beefed up its examination of Continental, imposed a formal set of directives on the bank, setting out required improvements "in numerous areas" including loan policies and procedures, asset liability management and fund-

ing, and at one stage considered forcing the removal of the bank's top executives.

"If there is anything that the OCC (the Office of the Comptroller of Currency) could have done differently, I believe it would have been to place more emphasis on our evaluation and criticism of Continental's overall management processes," he said.

Mr Conover said Continental's "demise" has highlighted the need for banks and supervisors to continue to work to maintain the public's confidence in individual banks and the banking system as a whole.

The comptroller listed seven main areas in which his office has now taken steps to enhance its examination and supervision procedures.

These areas are:

- Improving supervisory techniques, particularly of large banks.
- Using computers.
- Emphasising internal controls during regular bank examinations.
- Greater emphasis on the study of loan loss reserves.

● Moves to impose tougher, and higher bank capital ratios.

● Increased monitoring, particularly of big banks' sources and uses of funds.

● Greater financial disclosure to reduce the risks of false rumours.

● Strict enforcement of the regulator's powers to "vigorously correct" violations of law and prudent banking practices.

As a result of these measures, said Mr Conover, his agency currently has outstanding actions against 17 per cent of the U.S. banks with assets over \$1bn.

Mr Conover maintained that Continental is now "probably the safest bank in the world" and expressed confidence that most if not all of the Federal and other loans currently in place would be repaid.

Without the bail-out, he said, "We could have seen a national and international financial crisis the dimensions of which could not have been envisaged."

Equitable to buy 19 shopping centres

By Terry Dodsworth in New York

EQUITABLE LIFE Assurance of the U.S. has reached agreement on a \$750m deal that is expected to consolidate its position as one of the country's largest and most diversified property investors.

The acquisition will give Equitable Life 19 shopping centres with 8m sq ft of retail space, mainly in the Mid-West. Under the agreement, Equitable is paying \$425m in cash to General Growth Properties, a Des Moines-based property investment trust, and assuming \$280m in existing long-term mortgages.

Mr Gordon Clagett, Equitable Real Estate's executive vice-president, said that each of the shopping centres had a dominant position in its market. Equitable is to invest \$10m in upgrading and expanding the properties.

Equitable's operating earnings last year were \$146m. However, the company's overall surplus was reduced by the addition of \$252m to its reserves to cover lower investment returns than expected on a portfolio of guaranteed interest contracts.

General Growth said it expected to use part of the net proceeds of the sale to repay all its short-term debt as well as other liabilities associated with the properties. The distribution will amount to about \$25 a share.

After the deal, the trustees intend to consider "what future course would be most beneficial to shareholders," including the liquidation of the trust, a merger or other business combination, or the continuation of the trust as a property investment trust.

Conclusion of the deal will increase Equitable's management portfolio of wholly owned and joint-venture retail properties to more than 100 shopping centres, with nearly 50m sq ft of leasable space. Total assets under management will then approach \$21bn.

Foreign banks reject Electrolux terms on Zanussi's debt

By Alan Friedman in Milan

HOPES for a speedy resolution to the long-running saga of the crippled Italian Zanussi home appliance group were set back yesterday when foreign banks decided to press ahead with a counter-offer to the one from Sweden's Electrolux regarding foreign bank debt.

Electrolux is set to take over Zanussi, but has so far been unable to satisfy foreign banks, which have \$53m of outstanding debt.

"We have not yet got agreement," said one of the 18 bankers involved in the crucial talks which have been taking place this week at the London headquarters of National Westminster Bank.

Two of the banks would have been willing to write off 25 per cent of the Zanussi foreign debt and convert the remaining 75 per cent into a new medium term loan guaranteed by the Swedish group. The majority of the 18 banks meeting in London, however, prevailed and the plan now is to put forward on Friday a counter-proposal to Electrolux. This counter-proposal, in rough terms, would envisage an immediate repayment of 75 per cent of the \$53m. A further 10 to 15 per cent of the foreign debt would be repaid by Electrolux over the next five or six years.

If agreed by Electrolux, the new counter offer would tie in with the foreign banks' earlier demands for a 90 per cent repayment of their debt.

Meanwhile Italian bank creditors, who have already agreed on a seven-year rescheduling of more than \$500m of Zanussi debt, fear that Zanussi could be only a week or two away from having to call in government commissioners, who would run the company in receivership.

Key Italian bank creditors are meeting today in Milan to review the situation. They were planning to approve an emergency L50bn (\$28m) loan to keep Zanussi afloat and UBAF bank.



Hans Werthen, Electrolux chairman

in September, but this depends on a complete consensus agreement among all Zanussi creditor banks and is unlikely to progress without a resolution of the foreign bank problem.

A resolution of the Zanussi crisis had been hoped for as long ago as June, but foreign banks have put up stiff resistance to the Electrolux proposal for a lump sum repayment of part of the debt. The foreign banks complain that they are being treated unfairly as Italian banks are not having to take a write-off and are lowering interest rates over seven years instead.

Electrolux has in recent days improved on its original offer to foreign banks that it repay only 70 per cent of the debt, but this is not enough for some banks.

Among the foreign bank creditors are Gulf International Bank, Nat-West, Mitsubishi Bank, Hongkong and Shanghai Bank, Indosuez Bank and UBAF bank.

Nova-Park finance plan is postponed

By John Wickes in Zurich

FINAL reorganisation plans for the loss-making Swiss hotel group Nova-Park, as well as a decision on who should control the group, were further delayed yesterday when an extraordinary general meeting was cancelled at short notice.

The meeting, which had already been postponed from September 13, was called off at the wish of Mr S. Paul, the company's chairman, and of "various shareholders." A new planning team, which includes the Swiss Fidinam group, is to work out what are called concrete reorganisation recommendations for presentation to a shareholders' meeting "to be held shortly."

The postponement of the meeting means that it remains unclear whether Nova-Park founder Mr René Hatt will retain control of the company, Mr Hatt, who recently ousted a management team appointed in April, has a 51 per cent voting share, though this is subject to a lien of the Tunis International Bank of Cairo.

The company, whose net indebtedness exceeds SwFr 100m (\$39m), has been the subject of tough infighting since Dr Ardur Bezzola was called in to replace Mr Hatt as managing director in April. Mr Hatt was voted back as managing director on August 20 and, together with the reconstituted board, has now succeeded in obtaining a court injunction banning the activity of a company set up by Dr Bezzola and his supporters to run the group's Zurich hotel.

The whole matter remains extremely confused, however Mr Hatt's reappointment as managing director of the holding company Nova-Park AG has not yet been gazetted. Also, the major creditor - the German company Deutsche Anlagen Leasing - is currently negotiating the sale of the Elysée hotel in Paris and the as yet uncompleted Nova-Park Gotham in New York.

Credit data pledge by Swiss

By Maggie Urry

THE MAIN Swiss banks have agreed to give investors more information about the companies which issue debt through private placements. Unlike public issues, the lead manager of a private placement is not obliged to give buyers details of the borrowers' activities, size, balance sheet or profit record.

The Swiss National Bank has been concerned that investors have not had sufficient information to make a judgment about a borrower's credit standing. Some investors have even "knew they assume that the bank involved has made an assessment of the credit risk."

The problem, particularly arises in the case of the smaller Japanese companies about which little is known among private investors. In the case of convertible issues, the buyer has to make a judgment about the shares as well as on the borrower's credit risk.

Many of the bigger banks have already been giving investors the information which the Swiss Bankers' Association is now asking all lead managers to offer. The move is purely voluntary.

Canadian dealers seek to curb foreign share in securities trade

By Bernard Simon in Toronto

CANADA'S investment dealers have asked the authorities to resist pressures for growing foreign participation in the securities industry and to maintain a strict separation between the functions of domestic financial institutions.

In a report to the Ontario Securities Commission, which is examining the competitive position of the securities industry, the country's four stock exchanges and the investment dealers' association urged provincial and federal governments to play a more active role in preventing outsiders from gaining "a position of influence" in securities firms.

Mr Ted Medland, chief executive of Wood Gundy and chairman of the joint industry committee, said yesterday: "We need a strong domestic securities industry which will allow us to compete internationally." He said that Canada's position as a user rather than an exporter of capital meant that deregulation of its financial markets should not be allowed to proceed at the same pace as in the U.S. and Britain.

The committee proposes maintaining present restrictions in Ontario which limit holdings of individual non-residents in a securities firm to 10 per cent. It however recommends a slight adaptation to allow foreigners to gain access to securities firms' income through the limited purchase of non-voting shares.

The securities industry urges that all firms acting as market intermediaries in Canada should register with regulatory agencies and

comply with capital requirements and ownership restrictions. Exemptions have allowed increasing participation by non-registered companies in private placements and other transactions traditionally reserved for investment dealers.

Almost half the securities issued in Ontario in the past four years have been done outside the regulatory framework. Mr Medland said that the proportion would eventually reach 75 per cent.

Investment dealers appear to have the most to lose from deregulation. Their assets total about C\$9bn (\$6.9bn) compared to C\$369bn for the chartered banks and C\$53bn for trust companies. They have only 450 branches against the banks' network of 7,000 branches.

Italian bank reports 19% profits rise

By Alan Friedman in Milan

CREDITO Italiano, Italy's Milan-based fourth largest bank, increased its net profits by 19 per cent in the first half of this year, to L30.8bn (\$18.18m). The bank, which is the third of the IRI-controlled state banks to report its first half results, said its total deposits increased by 15.8 per cent during the 12-month period to June 30 to L30.37bn. Credito Italiano has 402 branches in Italy and employs a staff of 17,040.

The Rome-based Banco di Roma recently reported first half income of L17.3bn against L16.1bn in the first half of 1983. Earlier this week the Milan-based Banca commerciale Italiana announced a 59 per cent jump in net earnings for the first half to L40.8bn.

National Starch plans assault on Europe

By Carla Rapoport in London

NATIONAL STARCH and Chemical, the U.S.-based group owned by Unilever, is planning a big assault on the \$1bn a year European starch market through a comprehensive reorganisation of its European activities.

As the first phase of the reorganisation, National Starch has dissolved its 22-year-old joint venture with Roquette-National of France. The group will distribute its products throughout Europe under its own name for the first time. National Starch primarily sells special starches to the food, paper, paperboard and corrugating industries.

Under the reorganisation, National's Manchester-based UK subsidiary, Laing National, will trade under the name of National Starch and Chemical.

In addition, the group will be opening offices in Barcelona and Milan.

Preussag unit to dispose of lead smelter

By Our Financial Staff

PREUSSAG Metal, a Canadian offshoot of the West German metals, chemicals and construction group, is to sell its loss-making secondary lead smelter near Montreal.

The smelter is being acquired by Nova Ph, a company backed by a group of shareholders headed by Mr Robert Lavigne, the Preussag Metals president.

The smelter, at Ville St Catherine, has involved Preussag in losses of more than DM 100m (\$62.4m). It took a 50 per cent share in the smelter in 1978 and raised this to full control three years later by buying out its former partner, the Singermann group.

Nova will take over all of Preussag Metal's assets. The company has a capital of C\$10m (U.S.\$14.5m).

The smelter, which has annual capacity of 40,000 tonnes, reduced group profits last year by "something under" DM 60m, half of which were losses on current operations, Preussag said.

Preussag, which this time last year tapped shareholders for DM 195m through a rights issue, reported a steady recovery in profits in 1983 and recently announced a strong start to earnings in the current year.

Reshuffle at Citicorp

By Our New York Staff

MR JOHN REED, new chairman of Citicorp, the U.S. banking group, has announced a senior management reshuffle.

Mr Edwin Hoffman, 42, and formerly head of Citicorp's western hemisphere consumer activities, including the acquisition of savings and loans companies in California, is to become group executive for Latin America.

Mr Richard Breddock, 43, will take over Mr Hoffman's responsibilities, while retaining his job as head of the New York banking division, its credit and entertainment

card activities and its travellers' cheque business.

Underlining the importance of the Latin American debt situation to Citicorp, Mr William Rhodes, 48, who has played the leading role among the commercial banks in debt rescheduling talks, has been given a new position as chairman of Citicorp's restructuring committee.

Mr James Farley, formerly in charge of corporate banking in Latin America, is to become vice-chairman with responsibility for supervising foreign debt restructuring.

U.S. COMPANY BRINGS BANKS AND INSURERS TOGETHER

Go-between in a novel market

By Paul Taylor in New York

COMPETITION, deregulation and the interest rate structure have forced the U.S. banking and insurance industries into each other's arms over the past two years.

BankAmerica and several other big commercial U.S. bank holding companies are now selling insurance to their customers under agreements with outside vendors, and several insurance companies are offering banking products like certificates of deposit. Some U.S. thrift institutions have been able to sell life insurance offered by the Savings Bank Life Insurance Companies (SBLI) of New York, Massachusetts and Connecticut for some time, but SBLI policies are limited to \$30,000.

Compu-Plan, a small company formed 18 months ago in Paramus, New Jersey, is hoping to fill the role of go-between linking the banking and insurance industries.

Mr Richard d'Agostino, Compu-Plan's president, believes his company has found a way to enable the smaller thrift institutions, savings and loan associations and savings banks, to compete on an equal foot-

ing for prized commission-fee income with their "big brothers," while providing established insurance companies with an alternative distribution structure. Despite its high-tech name, Compu-Plan uses an ordinary personal computer and a bank's own retained staff to sell insurance products to bank customers.

It offers a turnkey insurance package based around an IBM personal computer - or compatible systems - and proprietary floppy disk software for thrift institutions. At present it is limited to New York and New Jersey, but there is potential in 38 states in the U.S., which allow such operations.

This is how the system works: Compu-Plan contracts as a general agent for a select group of insurance companies. Some 15 companies have been signed up for the scheme so far, including the Travelers Insurance Group and Royal Insurance of the UK.

Compu-Plan then offers these insurance products - contained on regularly updated 5 1/4 inch IBM floppy disk - to thrift institutions

around 7,800 applications. The company has concentrated on selling a wide range of life policies and annuities although it plans to expand into other individual insurance products. "We are very flexible," says Mr d'Agostino, a former Aetna Life branch manager, who owns 18 per cent of the company's 2.7m shares. He took it public last year.

"We have made mistakes," he admits. "The biggest problem in selling insurance in banks is teaching a bank how to be a marketer." As a result the company has been forced to strengthen its marketing back-up.

Compu-Plan, however, is still in the development stage and Mr d'Agostino admits it has another crucial test to pass: achieving profitability. In its 1983 fiscal year to the end of September the company lost \$588,894 on commission revenues of \$203,450.

Losses are running at about \$300,000 a month but Mr d'Agostino predicts that Compu-Plan will break into the black by December - aided by a first round of cost-cutting measures.

along with training and marketing back-up.

When an institution signs on, it sets up a separate insurance subsidiary and pays \$250 a person to have at least two of its employees to train and qualify as insurance agents. The upfront fee covers Compu-Plan's costs. So far, in 18 months of operations, 25 thrift institutions in New York State and New Jersey, including Goldome, the nation's second-largest savings bank with \$1.1bn in assets and 75 offices in New York State, have signed on.

Compu-Plan provides back-up marketing and office services such as processing applications, medicals and record keeping. In return the insurance companies pay Compu-Plan between 20 and 30 per cent of the first-year premiums on all life insurance policies sold through its licences and between 2 and 10 per cent of subsequent premiums.

The savings institution also receives a commission on sales.

So far Compu-Plan has processed individual policies worth more than \$500m (about 80 per cent of which were sold in the last year) and

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INTERNATIONAL COMPANIES and FINANCE

Wong Sulong examines the U.S.\$1bn bank rescue launched by the Malaysian Government

Bank Bumiputra moves to lay the Carrion ghost

THE MALAYSIAN Government last week unveiled a 2.5bn ringgit (U.S.\$1.07bn) rescue scheme for Bank Bumiputra, the country's largest bank. Clearly it now hopes for an end to the uncertainty that has dogged the bank since the revelations in early 1983 that it was a major creditor to a number of falling Hong Kong property companies.

As one of the key institutions charged with implementing Malaysia's New Economic Policy—which promises that indigenous Malays (Bumiputras) will own 30 per cent of the country's corporate wealth by 1990—Bank Bumiputra's problems very quickly became those of the Government.

The package—aimed at preventing the bank from sinking under the weight of the problem loans it made to Hong Kong property developers—is seen in Kuala Lumpur as probably the best that can be made of a bad situation.

The financial community is much relieved that, finally, the Government has acted to remove a potentially destabilising factor from the country's banking system.

The deal, as announced by Daim Zaiduddin, the recently

appointed Finance Minister, contains three basic elements:

● Petronas, the state oil company, will inject 2.5bn ringgit (U.S.\$1.07bn) into the bank in return for a 90 per cent stake. The remaining 10 per cent will remain Government-owned.

● Bank Bumiputra will write off 1bn ringgit of its 2.3bn ringgit of problem loans—the rest of the loans will be transferred to Petronas.

● Permodalan Nasional Berhad (PNB), the investment agency that acts on behalf of the country's indigenous Malay population, will sell its 86 per cent stake in the bank for 335m ringgit. It will then buy 30 per cent of Malaysian Banking, the country's second largest bank, from Bank Bumiputra for 729m ringgit.

However, not all agree that the solution is the most equitable. "Ordering Petronas to come up with the money is no doubt the easiest and most effective way to clear up the mess, but it is by no means an equitable or honourable solution," comments one banker.

Bank Bumiputra's shareholders—PNB and the Treasury—should bear the loss, he argues. But such an approach was

politically unacceptable. The Treasury would have suffered an acrimonious debate in Parliament with opposition members posing embarrassing questions as to why and how the loans were made in the first place. These are points the Government either cannot or will not answer.

One of the recurring themes of the scandals which sprang up around the Hong Kong loans has been the question of involvement of senior Malaysian politicians or their close associates, with Bumiputra Malaysia Finance, the bank's subsidiary in the colony. It was BMF which lost heavily to a number of Hong Kong property companies—most notable of which is the now collapsed Carrion Group.

Domestic concern

In order to defuse domestic concern over the probity of BMF's loan making, the Malaysian government earlier appointed a three-man internal committee at the bank to investigate the loans. The committee has so far filed an unpublished interim report on the basis of restricted terms of reference, and has achieved

little in silencing rumour.

For PNB to have shouldered the burden of rescuing Bank Bumiputra would also have been unacceptable. Sums of the order required would have crippled its operations and led to a massive loss of confidence among its Malay investors. This would possibly have had wider implications as in view of PNB's role as the chosen vehicle for implementing the New Economic Policy.

On paper, PNB did take a big loss. If Bank Bumiputra had not been saddled with the Hong Kong loans (which were made in 1981-82, when PNB was increasing its stake in the bank), its 86 per cent in the bank would be worth about 2bn ringgit. Now, it has to settle for 30 per cent in Malaysian Banking—with a market value of 800m ringgit—and 204m ringgit in cash.

PNB can console itself that it now has effective control of Malaysian Banking. Its new stake plus an existing one of 7 per cent will give it that without the need to make a formal takeover bid.

As Tan Sri Aziz Taha, the Governor of the Central Bank, points out, the move of PNB into Malaysian Banking means

only that control over the country's second largest bank has shifted from one Government agency to another.

For Dr Mahatir, the Prime Minister, the timing of the rescue operation has been such as to minimise political fallout. After last May's conference of the ruling United Malays National Organisation, he is solidly in control of both Party and Government—and further, he now has, in Daim Zaiduddin, a Finance Minister of his own choice.

Bad precedent

But there are fears that by bringing Petronas into the rescue scheme, a bad precedent may have been set. Since its formation 10 years ago the state oil company has been scrupulous about sticking to its charter, which charges it with responsibility for minding the country's oil and gas industries.

As a result, Petronas has avoided non-oil involvement—especially after seeing its Indonesian counterpart Pertamina come to grief a decade ago through such an expansion.

Should other public agencies run into financial problems they too, if they have political clout,

may look for a helping hand from Petronas, and the oil company's funds are neither inexhaustible or necessarily best employed in rescue schemes, say the doubters.

But for Bank Bumiputra, at least, the nightmare is over. With shareholders' funds of 1.1bn ringgit it is now slimmer; and the Government is urging it to resume its original function of aiding Malays and to grow.

However, the rebuilding of the shattered morale of its staff and the restoring of confidence among the bank's customers will take time. Destined to remain a political institution, the danger of it being manipulated by politicians is an ever present one.

What many argue the bank now needs is a top team of professionals to put it back on course. Its present board, down to four from seven as a result of resignations, lacks anyone with a professional grounding in banking.

As far as the hunt for those to blame for the bad loans is concerned, there is, despite all assertions of the authorities, little sign of seriousness in pursuing the matter.



George Tan (left) carried Carrion from success to failure; Daim Zaiduddin the newly appointed Malaysian Finance Minister, stands behind the Government shoring up of Bank Bumiputra.

However, there is a cloud on this horizon in that when Mr George Tan, the Carrion chief, comes up for trial next month in Hong Kong, some incriminating matters may be revealed.

The bank must hope that by then enough cleaning up has been done to prevent these

having any effect on the current management team. As no one on the Malaysian side has been charged with any offence, and the three directors and few senior officials directly involved have resigned, Malaysia is clearly hoping that it will soon be able to lay the ghost of Carrion.

All of these securities having been sold, this announcement appears as a matter of record only.

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September, 1984

INTERNATIONAL COMPANIES and FINANCE

Record year for securities houses

BY ROBERT COTTELL IN TOKYO

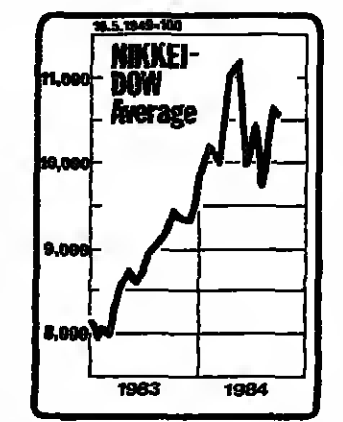
AS JAPAN'S "big four" securities houses — Nomura, Daiwa, Nikko, and Yamachi — approach their September 30 financial year end, analysts are confident that all four will produce record-breaking profits, and that their combined turnovers will have topped ¥1,000bn (¥4.1bn) for the first time ever. Combined pre-tax profits for the parent companies only, before extraordinary items, are expected to total over ¥340bn, some 30 per cent higher than in 1982-83. Nomura, the largest, is expected to report parent company profits of some ¥134bn, up 10 per cent on last year's ¥121.5bn.

The securities companies' resurgent profits put them in the same earnings league as Japan's "city" banks, the country's big mainstream commercial banks. Dai-ichi Kangyo Bank, Japan's biggest in asset terms, reported profits before tax of ¥135.7bn in the year to March 31, similar to those of Nomura.

Nomura, Nikko, Daiwa, and Yamachi handle between them roughly half of the trading on the Tokyo Stock Exchange, the second largest stock market in the world after Wall Street. Nomura alone is estimated to account for one-third of corporate bond trading in Japan.

Securities companies may also fear that they have been left slightly behind in the wave of deregulation now overtaking Japan's financial markets. The big four's bid to manage Japanese pension funds in partnership with U.S. banks has run into official opposition, though some system of advisory tie-ups is apparently still hoped for. Japanese brokers have also lost their de facto right to lead-manage European bond issues.

Further the U.S. government and, more discreetly, the UK, is asking the Japanese government to give foreign stockbrokers more access to the Japanese market and a Tokyo stock exchange seat but also vacated by a Yamachi subsidiary next spring may be sold to what would become the exchange's first foreign member — if an overseas house can be found willing to bid a probable US\$5m or more for the privilege.



Perhaps most threateningly for the big four, some Japanese banks are urging Japan to introduce negotiated commissions on securities trading, in place of the present system of fixed commissions.

The securities companies are fighting back. They are expanding into international banking outside Japan and would dearly

like banking licences in London, if the Bank of England would only agree. They are also introducing quasi-deposit accounts linked to government bond yields and establishing re-

the 20-month bull market which finally peaked in May this year. A buoyant market means higher turnover: in the first half of the security companies' current financial year, with the market indices still rising, daily average equity turnover in Tokyo was 14 per cent higher than in the preceding 12 months.

The securities houses may also have benefited this year from underwriting and management fees on the share and convertible bond issues made by many Japanese companies to capitalise on their high share prices. In the six months to the end of March 1984, for example, Japanese companies issued shares worth ¥338bn, compared with ¥739bn in the previous 12 months; and domestic bonds worth ¥975bn in the year to March 31, against ¥65bn in the previous year.

At present, however, the outlook for 1984-85 appears less buoyant. The Tokyo stock market's Nikkei-Dow Jones index, having touched its all-time high of 11,901.17 in May, has drifted uncertainly through the summer, typically around the 10,500 mark. In particular, the psychologically important foreign investors appear to have lost confidence in the market's upward momentum.

Kayaku to stop making interferon

By Carla Rapoport in London

NIPPON KAYAKU, the Japanese pharmaceutical group, has announced that it has given up commercial production of interferon because of its limited market use and its various side effects.

The company has cancelled a contract with North American Biological to buy interferon and has disposed of about ¥430m (\$1.75m) worth of stock.

The company is believed to have been working with natural interferon, as opposed to the genetically engineered product. Interferon is a substance that occurs naturally and acts as the body's first defence against viral infections. It was not clear yesterday whether the Japanese group was working with alpha or gamma interferon.

Dr Adrian Dawson, head of the medicines division of Biogen, the Swiss-based biotechnology group, said yesterday that Biogen's testing of gamma interferon continues to be "encouraging."

The group is in its second phase of testing interferon on specific tumours.

Fletcher Challenge almost trebles net profit

BY OUR FINANCIAL STAFF

FLETCHER CHALLENGE, New Zealand's largest company, almost trebled its earnings in the year to June 30 and retained profits plus funds from the 1983 rights issue will provide the company with adequate backing for a NZ\$300m (US\$146m) investment during 1984-85.

Net profit was a record NZ\$131.5m compared with NZ\$44.6m previously. According to Mr R. R. Trotter, Fletcher's chairman, the result from the group's New Zealand activities, "on a modified historical basis," were a contribution of NZ\$107m to overall net earnings, compared with the "inadequate"

NZ\$35m earned in 1982-83. The group's North American unit, Crown Forest Industries (bought from Crown Zellerbach for around US\$240m in late 1982), contributed NZ\$24.2m against NZ\$9.9m in 1982-83.

The directors have decided to account for Crown on a "normal operation basis" as from July 1 1984. "This involves the write down of assets, cost restructuring and also ceasing tax effect accounting for Canada. No deferred income will then remain to be amortised," they said. Only a small contribution to 1984-85's results is expected from Crown said the company.

A final dividend of 11.5 cents

is to be paid making 20 cents for the year against 17 cents previously. The board have indicated that a higher pay-out might have been made except for the New Zealand government's call for restraint on dividends.

As a result of the restrained dividend payment the group has retained profits of NZ\$78m which together with increased shareholders funds of NZ\$115m will back the proposed NZ\$300m-plus new investment planned for the current year.

Turnover for the diversified forest products, building materials, and pulp and paper

Swiss Pirelli parent ahead

By John Wicks in Zurich

SOCIÉTÉ Internationale Pirelli, of Basle, reports a marked rise in net profits for the year ended June 30 from SwFr 34.2m to SwFr 41.8m (\$16.3m). The Swiss concern is one of the parent companies of the Pirelli group the other is the Italian based Pirelli S.p.A.

An unchanged dividend of SwFr 15 per cent and participation certificate will be recommended at the November 8 shareholders' meeting, together with the allocation of SwFr 7m to reserves.

Estimates of Japanese company results revised

TOKYO — Nikko Research Centre, which is associated with Nikko Securities, said that it had revised upwards its forecast for the increase in pre-tax profits by major Japanese companies for the six months to March 1985.

It now believes profits will rise by an average of 17 per cent over the preceding six months. In June, it forecast a 13.6 per cent increase.

However, Nikko said that pre-tax profits in the six months to September 30 are now expected to fall by 6.1 per cent over the preceding six months, compared with the 5.5 per cent fall predicted in June.

Nikko attributed the expected steeper fall in profits in the current six months to large foreign exchange losses suffered by oil and electric power companies.

It said pre-tax profit of com-

panies excluding oil and electric power groups in the current six months will be up 2.5 per cent compared with a previously forecast 1.6 per cent rise.

Factors expected to boost profits in the following half year are a rise in the export price of steel, especially seamless steel pipes, increased demand for electronic appliances at home and abroad, and the yen's fall against the dollar.

The survey covered 553 companies listed on the Tokyo Stock Exchange but excluded banks, securities houses, and insurance companies.

Foreign net buying of Japanese bonds, including Treasury bills, rose sharply in August to ¥320bn from ¥119.9bn in July and ¥4.6bn in June, according to the Securities Dealers Association.

Reuter

Canon lifts group sales and earnings at midway

TOKYO — Canon, the Japanese manufacturer of cameras and copiers, lifted group net income by 23.9 per cent to ¥18,010m (\$68m) in the half year to June from ¥13,020m in the first half of 1983.

Pre-tax profits rose by 19.3 per cent to ¥36.81bn from ¥30,020m on sales up by 23.1 per cent to ¥77.9bn from ¥67.9bn. Earnings per share came to ¥31.74 compared with ¥26.5.

Sales of office machines including copiers and word processors, rose by 32.1 per cent to

¥241.95bn, and those of optical equipment by 45.5 per cent to ¥32.22bn. Camera sales were only 2.2 per cent ahead at ¥104.82bn.

Overseas sales were 24.1 per cent higher at ¥267.15bn, while domestic sales increased by 20.7 per cent to ¥111.87bn.

As previously reported, parent company net income advanced by 28.1 per cent to ¥9,220m, profits before tax by 17.7 per cent to ¥17,440m and sales by 29.7 per cent to ¥222,340m.

Canon's share price rose by ¥20 to ¥1,380 on the Tokyo Stock Exchange yesterday.

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DM (Foreign Bond Issues)	7.43	7.48	7.90	7.14
MLP (Beaufort Notes)	7.71	7.72	8.11	7.54
Can\$ Eurobonds	13.16	13.19	13.96	12.60

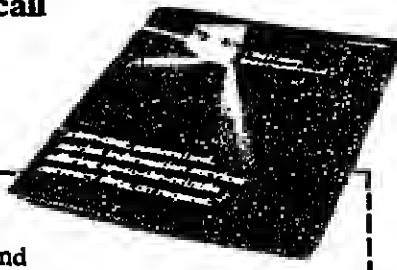
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UK COMPANY NEWS

Tobacco upturn lifts BAT to £505m

OVER £500m was earned by BAT Industries in the first six months of 1984 and shareholders are being rewarded with a 20 per cent hike in the interim dividend.

All group activities, with the exception of retailing, achieved higher profits, resulting in an overall 45 per cent advance in BAT's taxable result from £348m to £505m.

The interim dividend is up by 0.75p to 4.05p, and Mr Patrick Sheehy, group chairman, has hinted that the final payment will also be increased. He expects, provided there are no major adverse exchange rate movements, a strong increase in full year profits to the benefit of shareholders' dividends.

Group earnings per share climbed by 44 per cent from 13.05p to 18.75p.

Tobacco, the largest profit contributor, notched up a 48 per cent rise to £337m at the trading level, reflecting a recovery from the corresponding period and a small increase in the number of cigarettes sold.

Brown & Williamson's trading profit rose by 62 per cent in dollar terms as a result of price increases and improved productivity, while its market share showed signs of stabilising.

After 18 months of disruption the West German market continued its return to more profitable levels, with a 10 per cent increase in market share was achieved.

Brazil was affected by difficult economic conditions, but Souza

Cruz, managed to maintain market share and with buoyant leaf exports improved profits. Venezuela and the Far East also contributed in the overall increase.

Paper activities again produced good results with a £11m profit increase to £76m. Appleton performed well and Wiggins Teape made a further advance in the UK, although its margins both at home and in Europe came under pressure.

Retailing turnover in the U.S. increased but this did not flow through to profits. There was some overstocking in the industry and margins were generally reduced to clear excessive inventories.

In the UK, however, retailing showed further progress in both Argos and International Stores, and West German activities have been expanded through the acquisition, in August, of a controlling interest in the Horten department store chain.

These are the first results to be reported since BAT acquired Eagle Star Holdings, establishing financial services as a fourth major business area.

While both life and general business premiums and investment income improved, there were increases in claims and overall profit from insurance operations was lower.

Packaging returned higher profits but home improvements and cosmetics faced specific problems and did less well.

Associated companies turned

in £70m, against £38m, with a good performance, in particular, by Inasco engaged on drug stores, restaurants, and has 50 per cent of the Canadian cigarette market.

The results of overseas subsidiaries have been translated into sterling at the rates of exchange prevailing on September 3, when sterling was at U.S.\$1.3030 and DM 3.795. Had the same exchange rates ruled as at December 31 last then group taxable profits would have amounted to £470m and turnover £5.6bn.

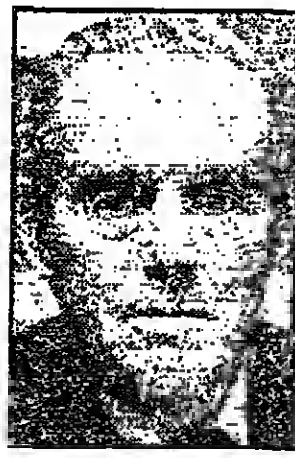
Group turnover for the first six months was 10 per cent up at £5.96bn, against £5.41bn, and pre-tax profits were struck after higher interest payments of £39m (£25m), reflecting the cost of financing the Eagle Star acquisition.

Looking to the remainder of the year, Mr Sheehy expects tobacco results to be well ahead, although without the marked improvement achieved in the second half of 1983.

The highly seasonal nature of retailing makes firm predictions unwise in advance of the important final quarter, he points out but says that strong U.S. consumer spending is expected to continue and be reflected in the second half performance.

Paper should also be an important contributor to trading profits as further progress is made in the U.S. and UK.

He also expects Eagle Star to improve on its first half contribution.



Mr Patrick Sheehy, chairman of BAT Industries.

The large disparity in group performance between the first and second halves of 1983 will not be repeated this year, says Mr Sheehy. In the second six months of 1983 BAT made taxable profits of £39m against £17.6m, in 1984 against £39m on turnover of £3.62bn and paid a final dividend of 4.875p.

The Wiggins Teape Group, a BAT subsidiary, achieved taxable profits of £23.9m, against £17.6m, in 1984 against £17.6m on turnover of £364.2m (£239.9m).

BAT Stores, another subsidiary, pushed its taxable profit up to £44.14m to £9.06m on turnover of £411.73m (£243.06m).

See Lex

Armstrong Equipment turnround to £2.5m

THE SECOND half of 1983-84 saw continued improvement in operating efficiency at Armstrong Equipment engineering group. This resulted in a swing from £1.1m losses to pre-tax profits of £2.5m for the 12 months ended July 1, 1984, which was in line with projections.

Further significant gains in operating efficiency and profitability are projected for 1984-85. A final dividend of 0.4p net raises the total payment to 0.8p per 10p share, against a single final of 0.1p last year.

At the interim stage, the group reported a pre-tax surplus of £1.06m (£1.23m losses). The directors said that with all divisions trading profitably, it was anticipated that there would be further improvements in the second half.

Sales for the 12 months improved slightly from £110.1m to £114.2m. Trading profit increased from £2.96m to £5.76m, but pre-tax figures were struck after interest payable of £3.25m was offset by £1.94m.

Extraordinary charges showed a sharp reduction from £3.45m to £0.19m, while minorities accounted for £46,000 (£21,000).

Within the UK, the four operating companies comprising the fastenings division continued their steady improvement in profitability, while the light engineering division also made progress. The automotive components side maintained its profitability while the second half Shareholders' funds of £1.2m at the year end improved from £25.93m to £26.88m.

comment

Armstrong Equipment has been forced to cut and cut again to survive the recession, and the reductions are not complete since the closure of the Blackheath Stampings subsidiary has just been announced. These measures have had an increasing impact on profitability—last year automotive components made significant profits, fasteners was also in the black, but light engineering losses were reduced. Overseas, the disposal of the loss-making Australian subsidiary was offset by the sale (to raise cash) of the profitable South African operations, but the Spanish companies are well placed to take advantage of a rapidly growing car market. Overall, net borrowings are down from £24m to £16m. Armstrong then is smaller but more solid than it was in the 1970s, and able now to compete with Continental rivals. However, it is still highly dependent on the motor industry, which provides about 70 per cent of sales. Nevertheless, the shares, down to 30p, under-rate Armstrong's prospects. The group should make 55m pre-tax this year, which at 30 per cent tax charge, puts the share on a multiple of only 44.

Newman Inds. up but less buoyant second half seen

Newman Industries, the subject of a refinancing package in March 1983, saw its profits before tax improve from £1.59m to £2.75m over the first six months of 1984.

However, while the directors consider the overall result to be satisfactory, they point out that the current economic climate and its effect on supplies together with interest rates are affecting the outlook and trading is not expected to be as favourable in the second half.

First-half turnover advanced group's principal activities are in from £35.8m to £41.67m—the the manufacture and marketing of engineering assembly systems, electric motors, castings and cooling equipment.

The Avdel division performed especially well with both volume and margin being enhanced by the investment programme started in 1983.

This programme is continuing at an increased rate to maintain and further improve the competitive position of Avdel in the market place.

Although volume is increased, the engineering division is only now showing some of the planned improvement in a "sporadic and competitive" market with prices and margins at a low level.

In electric motors, where

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major export contracts were completed early in the year, difficulties remain. Meanwhile, the reconstruction programme is continuing.

Pre-tax profits were struck after taking account of interest charges of £1.12m, compared with £1.36m. Tax absorbed £1.15m, against £545,000.

Earnings per share moved up from 1.1p to 1.7p fully diluted.

comment

It is Newman's misfortune to be known as much for its improbably lurid history as for its products. These figures, though, seem to suggest further that the dreadfully hard work of rescue and reconstruction was worth while. Avdel—still by far the biggest profit contributor—looks set to improve throughout the rest of the year. Both the engineering and electric motor divisions, though, are under pressure from weak demand in the latter case particularly in the export markets of the Middle East and Nigeria. Other question marks consist of the level of interest rates (it is unlikely that sterling will fall much below its near-100 per cent level this year), and the miners' strike, which is disturbing coke supplies to the group's foundries. But although the second half should produce slower profits growth than the first, the full year total should still be comfortably ahead of last year's £2.6m pre-tax. A far cry, still, from the 1978 peak of £8.2m.

Eagle Star down 17% at £29m

Eagle Star Holdings, now a subsidiary of BAT reports a surplus before tax of £29m compared with £34.9m at the interim stage last year—a drop of 17 per cent. The after-tax surplus declined nearly 19 per cent from £21.3m to £17.4m.

Investment income rose by 22 per cent in sterling terms from £52.2m to £63.9m, the underlying increase allowing for currency movements and special items being 10 per cent. Shareholders' life profits improved from £8.6m to £10.2m, while the profits from the industrial subsidiary, Grove-wood Securities, rose nearly one-third from £8m to £10.5m.

However, these improvements were offset by a two-thirds jump in underwriting losses from

£32.2m to £53.8m, almost all of this increase coming from Eagle Star's UK operations.

The group's worldwide general insurance income rose nearly 14 per cent in sterling terms from £286m to £325.2m with steady growth in both the UK and the various overseas operations.

Premium income in the UK rose by 13 per cent to £177m, but underwriting losses nearly doubled to £46.1m. Although there has been some hardening of premium rates, increased underwriting losses were recorded in all major sectors.

The property account has been hit by the severe winter weather, which cost £13m in adverse weather claims, of which £8m has been assigned to the 1984

figures, and an increase of over 30 per cent in the number of claims from subsidence.

Premium income in the main motor account is rising, but so is the number and cost of claims. The major liability account has been hit by increasing number of claims, particularly those relating to industrial deafness.

New life business in the period saw new annual premiums on worldwide business drop from £27.7m to £24.8m, with overseas growth more than offset by a drop in UK new annual premiums from £21.4m to £16.6m. Single premiums worldwide improved from £48.6m to £77.7m, of which the UK business rose from £43.6m to £61.1m.

Jones & Shipman in profit

Jones & Shipman, Leicester-based maker of high precision marine tools, returned to the black in the six months to June 30, 1984 with a pre-tax profit of £1,000, against a £1,000 loss last time. Turnover increased from £6.21m to £7.98m.

Orders during the year to date are some 58 per cent higher in value than the low level of the same period last year. There is, however, still strong competition in most overseas markets, with a consequent pressure on selling prices. Demand in the UK remains subdued.

Charterhouse sets up new fund

Charterhouse J. Rothchild has set up an offshore open ended investment fund which it intends to invest in Japanese securities for long term capital appreciation.

It is offering 2m Japan Fund capital shares of U.S.\$10 cents each at U.S.\$10 per share payable in full on application. List for the offer open on September 25 and may be closed at any time on October 2, 1984.

Mr Richard Thornton, chairman of the fund and a director of Charterhouse J. Rothchild, has many years of experience in investment in the Pacific area. He is backed by a team from his former company GT.

Charterhouse sets up new fund

Charterhouse forecasts that corporate profits in Japan will increase by 12.5 per cent in the year to March 1985, a larger rise than last year's 14.4 per cent. "This is exactly the right time to launch the fund with the yen nearly perched between the weak sterling and strong dollar," said Mr Thornton.

The investment team will concentrate on "ascertainable new technologies" where Mr Thornton believes Japan has taken the lead from the U.S. These include areas of biotechnology, robotics and automation, in both quoted and unquoted companies. It will, however, con-

centrate mainly on marketable securities. The annual management fee is 1.5 per cent which is on the high side, but Mr Thornton justifies this on the strength of the investment team which will undertake considerable organised research in Japan. There is a front-end charge of 5 per cent.

Dividend income is not likely to be significant as the emphasis is on capital appreciation. The least 95 per cent of net income will be distributed.

The fund has applied for a listing of its shares on the stock exchange. Cazenove are brokers to the offer.

COATS PATONS PLC

Interim Results

Profit before taxation increases by 27% and earnings per ordinary share by 31%

Interim dividend will be 1.65p compared with 1.5p last year

Unaudited results for January/June 1984 and the comparative figures for 1983 are as follows:

	Jan./June 1984	Jan./June 1983	Year 1983
TURNOVER	447.7	401.7	589.0
Trading profit before charging depreciation	57.3	47.1	112.9
Depreciation	10.2	9.1	19.4
TRADING PROFIT	47.1	38.0	93.5
Interest and other income	3.2	3.1	7.1
Interest payable (net)	(7.1)	(7.1)	(14.6)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	43.2	34.0	87.0
Taxation	18.1	12.9	32.8
Profit on ordinary activities after taxation	25.1	21.1	54.2
Interest of minority shareholders	3.5	2.2	6.4
EARNINGS FOR ORDINARY SHAREHOLDERS	24.6	18.9	47.8
Extraordinary items less taxation	—	6.0	15.8
PROFIT AFTER EXTRAORDINARY ITEMS	24.6	24.9	63.6
Dividends	4.6	4.2	13.0
PROFIT RETAINED	20.0	20.7	50.6

Earnings per ordinary share of 25p (1983 19p) U.S. Dollar rate of exchange used—Dollars per £ 1.45

Turnover at £447.7m increased by 11% over 1983 with volume 3% ahead. Price and assortment changes and OECD exchange movements added 6% and 2% respectively to turnover.

Trading profits of £47.1m were 24% up on 1983 and margins at 10.5% compare favourably with the level of 9.5% achieved last year.

Interest charges at £7.1m and investment and other income at £3.2m were in line with 1983.

Pre-tax profits of £43.2m were 27% up on the first half of 1983 and reflect the level of performance that we had anticipated in all sections of our business, although sewing thread and bulk hand-knitting sales in the U.S.A. were disappointing. OECD exchange rate movements increased profits by £2.5m.

Taxation at 35% is lower than 1983 and is the rate that we expect for the full year.

Profit before taxation in the current report amounts to £24.6m (1983 pre-tax historical £34.0m pre-tax current cost £17.2m).

Earnings for ordinary shareholders at £24.6m are nearly double the level of profit after extraordinary items reported last year. Earnings per ordinary share were 8.9p against 6.5p.

Net debt compared with shareholders' and minority funds should be the same at the end of 1984 as for 1983 on a like-for-like basis. Acquisitions will add 7% to the gearing ratio.

Trading margins in January/June 1984 were in line with those achieved in July/December 1983 and we would expect this level to be maintained. Sales to date in the second half-year have been somewhat less buoyant than expected; nevertheless, we look forward to a satisfactory performance for the year.

Significant events this year have included the acquisition of Aero Needles Group Plc and Schachenmayr, Mann & Cie GmbH, both companies which will contribute to the development of our leisure and craft business. Further expansion in our Jaeger retail shops/fashionwear operation is anticipated through the purchase of a chain of shops in Germany. We have disposed of John Heathcoat & Company Limited, hitherto part of our industrial yarns and fabrics operation.

An interim dividend of 1.65p per share (1983 1.5p) will be paid on 31st December 1984 to ordinary shareholders on the register on 8th November 1984.

Assuming the recovery in order intake is sustained the company anticipates that results for the full year will show further progress towards an acceptable return on capital employed.

There is again no tax charge and no UK charge is expected to arise in 1984 owing to the availability of losses brought forward. Earnings per 25p share were 1.7p (54p losses) and the interim dividend is restored at 1p net, of which 0.5p is a special payment.

The special payment is being made in order to take advantage of a limited opportunity, whereby the company is able to offset the 1978 tax liability. Tax related to dividends paid before the end of 1984, against tax paid in an earlier year.

This special portion of the interim dividend is subject to consideration in the recommendation of any final dividend for the year. Last year's final was 1p.

The special payment arises from the Finance Act 1983. Finance Act. That clause extended the period in which ACT can be recovered against previous profits from two to six years.

The group had already absorbed the available profits from 1980 and 1981 in the two subsequent years, but the Finance Act now means that the balance of £325,000 of available tax liabilities arising in respect of 1978 can be set against the £120,000 net cost of this year's interim dividend. The ACT recoverable will only be £185,000, the finance director, Mr E. T. Sutherland, said. "and the residue is unfortunately lost forever."

There was no question, he stressed, that the £25m of trading losses to offset against future profits and the group would be carrying forward ACT on future earnings. "The company has incurred a mainstream tax liability. That the finance director felt, could be another two or three years."

He felt that other companies would use this clause where their six year track record of profits, succeeded by heavy losses and finally by a return to profitability and a resumption of dividend payments, provided special distribution opportunities.

Hugh Mackay

Turnover of Durham-based carpet manufacturer, Hugh Mackay, rose by £1.7m to £4.7m in the half year to June 30, 1984, and pre-tax profits advanced from £102,000 to £163,000.

The directors say it is encouraging to see increased volumes from all the company's markets, particularly the EEC. This high level of activity, anticipated at the beginning of the year, shows every sign of continuing and perhaps increasing, thus repeating the trading cycle of recent years.

Earnings per 25p share increased from 0.99p to 1.59p in the interim dividend is maintained at 1.5p net—last year's total was 4p.

DIVIDENDS ANNOUNCED

Current payment	Date	Corre. of sp. div.	Total for year	Total for year
0.4	Nov 12	0.1	0.5	0.1
0.4	Nov 16	0.3	0.7	1.2
4.05	Nov 16	3.38	7.43	8.25
0.8	Nov 2	0.8	1.6	2.2
1.1	Nov 15	1	2.1	3.2
1.25	Nov 15	nil	1.25	4.45
0.8	Jan 7	0.8	1.6	6.05
1.65	Dec 31	1.5	3.15	9.2
0.3	Jan 7	0.51	0.81	10.01
0.35	Nov 15	0.35	0.7	10.71
1.1	Oct 28	nil	1.1	11.81
1.1	Nov 30	0.7*	1.8	13.61
1.4	Nov 16	1.4	2.8	16.41
3	Jan 7	2	5	21.41
1	Dec 3	1	2	23.41
0.7	Nov 20	0.7	1.4	24.81
6.5†	Jan 2	6	12.5	37.31
1.33**	Nov 16	—	1.33	38.64
6	Nov 15	6	12	50.64

† Unquoted stock. ‡ For nine months to January 31, 1984. § Includes 0.5p special payment. ** 2p final forecast.

BARDSEY PLC

Unaudited results for the half year ended 30th June 1984.

1983	1984	1984
£000	£000	£000
18,048	19,048	37,798
567.7	627.7	627.7
(21.9)	(24.0)	(24.0)
(42.8)	(52.0)	(52.0)
(6.7)	(6.0)	(6.0)
(8.0)	(8.0)	(8.0)
(8.0)	(8.0)	(8.0)
(7.0)	(7.0)	(7.0)
(1.0)	(1.0)	(1.0)
(8.2)	(8.2)	(8.2)
(16.2)	(16.2)	(16.2)
(17.4)	(17.4)	(17.4)
(33.8)	(33.8)	(33.8)
(2)	(2)	(2)
(33.8)	(33.8)	(33.8)
(16.8)	(16.8)	(16.8)
(80.6)	(80.6)	(80.6)
(1.10p)	(0.8p)	(0.8p)

Pre-tax profit of £25,000 against a loss of £80,000 for the same period in 1983.

Exceptional items relate mostly to the costs involved in restructuring the Taylor Pallister Group following the acquisition of Tumars of Shetleston Limited.

Continued improvement in profitability of Tool Companies.

Depressed conditions in the furniture trade, slowed down the recovery.

Indications are that the improving trend will continue for the second half.

BARDSEY PLC, 21 Upper Brook Street, London W1Y 1PD

HB Electronic on target

A "very high" order book carried into 1984 together with strong market requirements for HB Electronic Components to lift pre-tax profits from £77,000 to £120,000 in the six months to July 1, 1984.

The group has entered the second half with orders quite sufficient to achieve its sales target for the whole year—a mid-year sales were ahead at £2.3m (£1.54m).

The interim dividend is raised to 0.5p (0.42p) net. Shares are traded on the USM. The ultimate holding company is W. Canning.

LADBROKE INDEX
Based on FT Index
862-886 (+8)
Tel: 01-427 4411

CENTENARY
1884-1984

Dalgety plc

Preliminary Results—the year to June 30th 1984

A RECORD YEAR

- Turnover up 30% to £3,701 million
- Profits before tax up 28% to £67 million
- Earnings per share increased 13% to 50.3p
- Final Dividend increased to 13p, making 24p for the year

United Kingdom profits again moved ahead, principally as a result of improved operating efficiency and USA profits again increased. In Canada, profits were well above last year and in Australia the merger which created Dalgety Farmers led to a substantial increase in profits.

The Directors are confident of another good year.

Dalgety PLC, 19 Hanover Square, London W1R 9DA.

A B.A.T Industries Report
Extracts from the interim results for the six months to 30th June 1984

"I foresee a strong increase in pre-tax profit."



I am very pleased to report a strong performance by the Group in the first half of 1984, continuing the pronounced improvement that began in the second half of last year.

At £5,955 million, Group turnover in the six months to June was 10 per cent higher than in the comparable period of 1983. Pre-tax profit was 45 per cent higher at £505 million, and attributable profit increased by 44 per cent to £274 million.

In the light of this record of sound underlying growth assisted to some extent by exchange rate movements, the Board has declared an interim dividend of 4.05 pence per share, an increase of 20 per cent on last year's figure. The substantial improvement in tobacco profit reflects a sharp recovery from the problems that affected our business in the first half of 1983, and the total number of cigarettes sold by the Group and its Associates showed a small increase. Brown & Williamson's trading profit rose by 62 per cent in dollar terms as a result of price increases and improved productivity, while its market share showed signs of stabilising. After eighteen months of disruption the West German market continued its encouraging return to more profitable trading and our company increased its market share. Brazil was affected by difficult economic conditions, but Souza Cruz maintained its market share and, as a result of buoyant leaf exports, improved its profits. Venezuela and the Far East made important contributions to the overall improvement.

Retailing in the USA showed an encouraging increase in turnover but it is disappointing that this did not flow through into profits. There was some overstocking throughout the industry and margins were generally reduced to clear excessive inventories. UK retailing showed further progress in both Argos and International Stores. Our West German activities have been expanded by the acquisition in August of a controlling interest in the Horten chain of department stores.

Paper again showed excellent results. There was another sparkling performance from Appleton. This will be reinforced by the more recent acquisition of a large paper mill in Ohio. Wiggins Teape made a further strong advance in the UK although its margins here and in continental Europe came under pressure.

These are the first results to be reported since we acquired Eagle Star, to establish financial services as our fourth major business area. Both life and general business premiums increased substantially, as did investment income. But in common with many other companies we had to face increases in claims, and the overall profit from insurance operations was down. Grovewood Securities turned in sharply higher profits and the Eagle Star Holdings PLC group pre-tax profit for the period amounted to £29 million.

Mardon Packaging achieved a large profit increase. Home improvements and cosmetics faced specific problems and did less well.

There was once again a splendid performance by our associated companies, notably Imasco.

PROSPECTS

I told the Annual General Meeting in May that I expected our four main businesses to contribute to another record year for the Group. These first-half results support my confidence.

The tobacco business should produce results well ahead of last year's, although without the marked second-half improvement that was seen in 1983.

The highly seasonal nature of retailing makes firm predictions unwise in advance of the important final quarter. However, I expect strong US consumer spending to continue and to be reflected in our second-half performance.

Paper will also be an important contributor to the increase

in total trading profit as further good progress is made in the USA and UK.

Earnings of Eagle Star Holdings should be substantially higher than in the first half of 1984.

I must point out that the large disparity in Group performance between the first and second halves of 1983 will not be repeated this year, when I expect the difference between the two periods to be less pronounced.

Provided there are no major adverse exchange rate movements between now and the year-end, I foresee a strong increase for the year in pre-tax profit to the benefit of shareholders' dividends.

PATRICK SHEEHY, Chairman

GROUP RESULTS

(unaudited)	Half year to 30.6.84 £ millions	Half year to 30.6.83 £ millions	change over June 1983	% change over June 1983	Half year to 31.12.83 £ millions
Turnover:					
Commercial activities	5,955	5,410	+10		6,436
Financial services	519	—	—	—	—
Trading profit from commercial activities	466	335	+39		516
Profit before taxation from financial services	18	—	—	—	—
Share of associated companies' profit before taxation	70	38	+84		87
Operating profit	554	373	+49		603
Net interest	(149)	(251)	+96		28
Profit on ordinary activities before taxation	505	348	+45		631
Taxation on ordinary activities	(201)	(136)	+48		(237)
Profit on ordinary activities after taxation	304	212	+43		394
Attributable to minority shareholders	(30)	(22)	+36		(37)
Attributable to B.A.T Industries	274	190	+44		357
Earnings per share	18.722p	13.450p	+44		24.519p

1. The results of the Eagle Star Holdings PLC group have been included from its acquisition on 18 January 1984. The insurance businesses of the group are shown as financial services and Grovewood Securities is included in commercial activities.
2. Turnover for commercial activities includes duty and excise taxes. Turnover for financial services comprises life and general business net premium income.
3. Associated companies: The Group's share of the profits of these companies has been included on the basis of the latest information published by the companies.

DIVIDENDS

The Directors declared today, for payment on 16 November 1984, an interim dividend out of the profit for the twelve months to 31 December 1984 at the rate of 4.05p per share on the Ordinary Shares (1983-3.75p). The cost of this interim dividend amounts to £59 million (1983-£49 million). Transfers received in order by the Registrar of the Company up to 18 October 1984 will be in time to be passed for payment of the interim dividend.

INDUSTRIAL ANALYSIS

	Half year to 30.6.84 £ millions	Half year to 30.6.83 £ millions	change over June 1983	% change over June 1983	Half year to 31.12.83 £ millions
Turnover:					
Tobacco	2,992	2,819	+62		3,314
Retailing	1,597	1,523	+48		2,004
Paper	644	584	+102		551
Packaging & printing	306	293	+16		311
(Other trading activities)	416	274	+142		318
Commercial activities	5,955	5,410	+10		6,436
Financial services	519	—	—	—	—
Profit:					
Tobacco	331	226	+46		316
Retailing	28	19	+7		136
Paper	76	55	+28		45
Packaging & printing	15	11	+36		11
(Other trading activities)	16	14	+14		6
Commercial activities	466	335	+39		516
Financial services	18	—	—	—	—
Associated companies	70	38	+84		87
Operating profit	554	373	+49		603
Net interest	(149)	(251)	+96		28
Profit before taxation	505	348	+45		631

1. The contribution to operating profit from financial services includes interest and investment income on the insurance activities of this group in respect of the operations of this business.
2. Group central costs are charged in other trading activities.

Exchange rate effects

The results of overseas subsidiaries have been translated into sterling for the purpose of this report at rates of exchange ruling on 3 September 1984 (the latest convenient date), when sterling was at US dollar 1.3030 and Dm 3.795. Exceptions are made for high inflation countries where an estimated year-end rate is used. Comparative figures have been translated at rates ruling on 31 December 1983. Had the same exchange rates ruled on 3 September 1984 as on 31 December 1983, it is estimated that the figures given in the Group Results would have read:

	Half year to 30.6.84 £ millions	change over June 1983	% change over June 1983
Turnover: commercial activities	5,600	+4	+4
Operating profit	520	+39	+7
Profit before taxation	470	+43	+9
Net profit attributable to B.A.T Industries	253	+23	+8

These estimated figures do not include devaluations of the Brazilian cruzeiro and the Argentine peso against the US dollar to the extent that these devaluations represent the relative decline of the purchasing power of these currencies.

INDUSTRIAL REVIEWS

TOBACCO

With the major problems encountered in the first half of 1983 substantially eased, the decline in Group volume was largely arrested. Total sales volume of subsidiaries was down by 1.5 per cent but, with the inclusion of associated companies, volume showed a small increase, despite withdrawal from the UK market and a further fall in consumption in Brazil.

In the US domestic market, total volume share showed signs of stabilising at slightly below the 1983 level. Cigarette export volumes declined but share of that market increased. Brown & Williamson's trading profit rose by 62 per cent in dollars as a result of higher domestic and export prices, lower leaf and marketing costs, and further improvements in production efficiencies.

Domestic sales of BAT (UK and Export) declined with the ending of direct distribution, but with consequent elimination of last year's trading losses. Although price increases and a strong dollar benefited turnover, export volume and turnover fell as a result of problems in certain traditional markets. Trading profit was thus depressed, and further affected by higher costs of leaf.

In West Germany the industry's traditional higher priced brands continued their recovery at the expense of generic and low priced brands, reaching 85 per cent market share by the end of the period. This trend benefited BAT Cigarettenfabriken which, in a market where sales rose by 3.5 per cent, increased volume by 10 per cent with a consequent improvement in market share of 1.6 percentage points to 25.4 per cent. Trading profits showed a significant recovery from last year's depressed level.

Volume in the rest of continental Europe was adversely affected by price increases, but market share improved as a result of the continuing strong performance of Barclay. Trading profit reflected the decline in volume. The Brazilian market continued to be

affected by severe recessionary conditions and volume declined by 3 per cent. Souza Cruz maintained market share despite strong competitive downtrading, but profits were depressed by price increases below the level of inflation. This was more than offset by the continuing strong performance of leaf exports, which are priced in dollars and are now exempt from the export taxes levied in 1983.

In the rest of Latin America, cigarette sales and profits showed substantial increases. In Venezuela, a sharply increased share of a growing market brought higher trading profits. Trading profits in Chile improved substantially on higher sales and prices. In Argentina, Noblesza-Picardo's sales increased by some 15 per cent but re-imposition of price controls hit trading profit. Most companies in Central America and the Caribbean showed good improvements in volume, turnover and profits.

Sales and trading profits increased in Asia. In Malaysia, profitability improved following an April price increase and cost reductions. Profits in Hong Kong rose as exports to China increased substantially. Volume and profits declined in Singapore and Indonesia, but Pakistan and Sri Lanka increased profits.

Improved results of a number of companies in Africa were more than offset by a substantial fall in profits in Nigeria, where lack of foreign exchange for purchase of raw materials restricted production.

RETAILING

Turnover for the continuing BATUS Retail businesses showed a particularly strong growth of 10 per cent, reflecting confidence in the US economy and an upward trend in consumer spending. Important contributions to turnover growth came from Saks Fifth Avenue, Gimbel-Milwaukee, Kohl's Department Stores, Thimbles, Bremer's and the Ivey's companies in the Carolinas and Florida. Sales had four more stores operating than in the comparable period of 1983. Kohl's continued its aggressive new store opening

programme, and was operating seven more stores in addition to achieving substantial growth in existing stores. Gimbel's produced higher turnover in the Mid-West and East.

Unfavourable weather earlier in the year resulted in excessive inventories throughout the industry, but action in BATUS Retail has improved its situation. Trading profit did not match sales performance and showed a decline as a result of the highly competitive and promotional retailing environment affecting gross margins and trading expenses.

UK retailing continued to build on the improved 1983 results. International reported improved profits as a result of continued closing of small branches and the benefits of store refurbishment, changes in product mix and introduction of the own-label range.

Argos turnover increased by 24 per cent, partly as a result of the opening of 14 new showrooms in the last 12 months and a substantially higher catalogue circulation. Argos achieved a trading profit in the first half year substantially ahead of last year.

PAPER

In the buoyant North American market, Appleton Papers achieved another excellent performance with record sales volume and profits for the current period. Turnover rose by over 26 per cent, and share of the domestic carbonless copying paper market was further increased as domestic sales tonnage rose by 20 per cent. Trading profit was up by a third, reflecting increased sales tonnage, higher selling prices and further gains in production efficiencies.

Wiggins Teape's sales were 14 per cent up in sterling terms with significant increases in most businesses, exports from the UK were 27 per cent ahead, and go-up trading profit increased by 21 per cent.

The improvement in the UK continued with an increase in

profits of 60 per cent. A large rise in the price of woodpulp accentuated by the strength of the dollar, put margins under pressure in most manufacturing businesses but this was more than offset by higher export volumes and cost savings. Sales growth and results of the UK carbonless paper business showed particular improvement. Profits of the merchandising business doubled.

In Europe, sales of carbonless paper continued to grow strongly but higher costs, particularly of raw materials, caused profits to fall below the high level of the first half of 1983. The European merchandising businesses increased their sales and margins, and their profits were up by 60 per cent in local currency terms, with a particularly good performance in France.

FINANCIAL SERVICES

Eagle Star Holdings PLC was acquired on 18 January 1984 and its contribution to operating profit, excluding Grovewood Securities, was £18 million. The details of its insurance operations reported here compare its full January-June half years, which showed a decline of 31 per cent in pre-tax profit.

General business premiums increased by 14 per cent to £225 million. Although underwriting losses at £54 million rose by £22 million, this was compensated in part by a 22 per cent increase in investment income to £64 million.

In the UK there was an encouraging flow of new general business premium income which increased by 13 per cent to £177 million, and some hardening of premium rates. However, the property account had additional costs from extreme winter weather and an increase in subsidence claims. In the motor account there was an increase in frequency and cost of claims. Claims notified in the liability account, particularly those relating to industrial deafness, also increased.

Results for reinsurance and foreign business continued

to reflect inadequate worldwide premium rates but the marine and aviation account showed some growth in premium income and a small improvement in rates.

Overseas net premiums showed an increase of 15 per cent over 1983. In Australia, levels of premiums hardened and a significant profit was achieved. The Belgian market still suffered excessive competition but the results were an improvement, and South African Eagle again produced good results. Eagle Star of America, a relatively small operation, continued to suffer from the poor insurance conditions in the USA.

Life assurance premiums rose by 30 per cent to £194 million. New annual premiums totalled £26 million of which £17 million arose in the UK. Worldwide new single premium business was £78 million of which £81 million arose in the UK. Comparing the two halves, a reduction in new annual premium business came from the benefit in 1983 of the new MIRAS system of mortgage tax relief. The flow of new ordinary business, affected by the loss of Life Assurance Premium Relief, was partly made up by increased individual pension business and group life and pensions business. There was a most satisfactory increase in immediate annuity business.

PACKAGING AND PRINTING

Mardon Packaging International's turnover rose 16 per cent and trading profit in sterling terms increased 39 per cent. Improved profits in the UK and Europe came from volume growth, particularly in metal and rigid plastics packaging, as well as continuing benefits from rationalisation and higher productivity. However, flexible packaging, which performed strongly during 1983, was affected by more intense competition. The Canadian and US businesses achieved significant volume and profit gains.

OTHER TRADING ACTIVITIES

This segment includes for the first time the results of the Grovewood Securities group acquired with Eagle Star. Grovewood's trading profit rose by nearly a quarter over the first

half of 1983 to more than £10 million with another good contribution from VG Instruments.

Home improvements was affected by strikes in the German metal and engineering industries and general consumer caution which resulted. However, turnover increased in ceramics, shower walls and foils, and overall turnover was up by about 4 per cent. Downtrading, cost increases and some loss of sales depressed trading profit.

Cosmetics turnover was a little higher than in the first half of 1983. However, due to continuing problems in the USA, the trading result was 15 million below the comparable period.

ASSOCIATED COMPANIES

The Group's reported share of pre-tax profits of associated companies increased by 84 per cent to £70 million. Imasco's profit improved significantly and a further large proportion of the increase was accounted for by interim results of associated companies - notably Skandinavisk Holding and Aracruz Celulose, which were not included in the previous first half year.

In Canada, Imasco's pre-tax profit was 23 per cent up on last year. Profits from tobacco and Shoppers' Drug Mart continued to increase satisfactorily. There were excellent trading profits from Peoples Drug Stores which was acquired at the beginning of April, although the results were reduced by interest payments on the acquisition consideration.

Hardee's restaurant business produced very good volume and profit growth. In Australia, AMATIL's pre-tax profit was virtually unchanged. Good results were achieved by tobacco and Leigh-Mardon.

Empress La Moderna in Mexico increased pre-tax profit considerably as a result of higher cigarette prices. Skandinavisk Holding showed a big improvement in profit, with the main gains coming from tobacco and office furniture supplies. Pulp production at Aracruz increased by 5 per cent and profit benefited from strengthening international prices. West Indian Tobacco's profit improved, with a slight increase in volume.

B.A.T INDUSTRIES

The full report has been posted to shareholders. Copies are available from the Company Secretary, B.A.T Industries P.L.C., Windsor House, 50 Victoria Street, London SW1H 0NL.

UK COMPANY NEWS

MINING NEWS

RTZ increases interim dividend

BY GEORGE MILLING-STANLEY

LED ONCE again by the chemical and industrial operations in the U.S. and the UK, London's Rio Tinto-Zinc mining and industrial group boosted attributable profits for the half-year to June 30 by 18 per cent.

The interim dividend is raised from 6p to 6.5p per share. Last year's interim was followed by a final payment of 12p to give a total for the year of 18p.

Attributable profits for the half came out at £100.1m, up from £84.5m in the first six months of 1983 and ahead of the £88m earned in the second half of last year.

The improvement was not fully translated into earnings per share, as a result of the increase in share capital brought about by last year's 192m rights issue. Earnings are shown as 32.33p per share, up from 30.21p in the first half of last year and 28.55p in the second half.

RTZ said yesterday that the increase in profits over the first half of 1983 was due to a substantial improvement in the results of the group's wholly-owned subsidiaries, offset to some extent by a slight reduction in the contribution from the partly-owned subsidiaries.

First half 1984
 Turnover 2,692.2 2,295.6
 Operating costs 2,271.7 1,922.5
 Operating profit 420.5 373.1
 Share of related co's business receivable 14.5 5.0
 Making 435.0 378.1
 Interest payable 67.7 83.1
 Profit before tax 367.3 295.0
 Tax 152.5 136.0
 Profit after tax 214.8 159.0
 Profit after tax 214.8 159.0
 Earnings per share 32.33 30.21
 Preference dividends 0.2 0.2
 Interim ordinary div. 19.7 18.2
 Dividends per share 6.50 6.20

The continuing economic recovery has benefited those sectors which are not dependent on prices for metals and minerals, RTZ said. There has been some improvement in demand for metals, but the group's mining interests are still suffering from generally depressed prices.

As the accompanying table shows, after-tax profits were actually slightly down on last year, but the lower amount due to minorities gave rise to the increase at the attributable level.

The main contribution to group profits came from RTZ Borax, which produced another very strong performance with net profits up from £26.7m to £39.7m. The improvement was attributable to higher volume sales of borax products, the favourable impact of translation into sterling and a better performance from the chemical interests.

Higher earnings from the UK housing market and an improved showing from Isdal in the U.S. helped RTZ Industries to lift its contribution to the group from £17m to £24.8m, while RTZ Oil and Gas benefited from the recently acquired stake of 1 per cent in the Furies field and the favourable effect of currency translation on its U.S. earnings.

The group's mining operations generally performed less well than in the previous year, although Rio Algom's contribution increased slightly.

This was mainly thanks to better uranium earnings, both from the recently reopened Stanleigh mine at Elliott Lake in Ontario and the company's other two mines in the area, Panel and Quirke.

Steel operations returned to profits after a loss last time, while the effects of lower copper prices and ore grades at Larnet in British Columbia were partly offset by the company's Bullmoose coal operations, which made an initial contribution.

RTZ said that the Rosslag uranium mine in Namibia continued to operate satisfactorily, although the contribution to group earnings from this source has been delayed by the deferring of deliveries into the second half of the year. Profits here have also been hit by an increased provision for deferred tax.

The outlook for the remainder of the year still depends to a large extent on metal prices, although the industrial and chemical interests are again expected to do well, RTZ said. The shares fell 8p to 66p in London last night in a generally weaker market.

See Lex

Teck to close copper mine

DEPRESSED PRICES for copper and molybdenum have forced the suspension of operations from October 19 at the Highmont open-pit mine in the Highland Valley district of southern British Columbia.

Mr Robert E. Hallbauer, senior vice president of mining at Teck Corporation which owns a half-share in Highmont, said yesterday that the suspension is necessary to stem the continuing net losses produced by the mine. The plant and equipment will be maintained in condition to allow for the operation to be re-opened when economic conditions warrant.

Medley Holdings, a unit of the Kewall Investment Office, owns 30 per cent of Highmont, with the remaining 20 per cent held by an affiliate of West Germany's Metallgesellschaft.

Mr Hallbauer said that Teck's Afton copper-gold mine, also in British Columbia, would remain in operation. The mine, owned as to 73 per cent by Teck with the remaining 27 per cent held by Metallgesellschaft, was closed for nine months two years ago.

Teck returned to profits in the third quarter, which ended on June 30 with net profits of £280,000 (£208,000). The period shows not only a positive result, but also the strongest cash flow since the second quarter of 1981, at £39.5m.

Dr Norman B. Keovil Jr, president, said that the improvement was due to the new Bullmoose coal mine in British Columbia, higher grades at Afton in the same province, and increased production and higher prices of the Newfoundland zinc operation.

Messina plans to sell mines in Zimbabwe

THE CONSOLIDATED net loss for the nine months to the end of June was £28.6m or 18 cents a share, compared with a loss of £24.5m or 16 cents a share a year ago. Cash flow for the nine months jumped from £38.9m to £51.7m.

Dr Keovil said that the Bullmoose mine had operated profitably since it was opened in 1981. The pouring of the first gold bar from the company's property of the Hemlo area in north-western Ontario is expected next spring. The mine's shaft is now below 1,000 feet and continuing toward the planned total depth of 3,800 feet.

Steel erection for the planned 1,000 tonnes per day plant has started, and Teck has arranged non-recourse financing for the development of the property.

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MINING NEWS IN BRIEF

FMG, Corporation of the U.S. has announced plans to develop the Paradise Peak gold and silver deposit near Gabbs, Nevada. The discovery is about 120 miles south-east of Reno.

The development will start early next year, and will include an open-pit mine and processing plant. Gold and silver production is expected to begin in 1985, with a processing capacity of 1m tons of ore a year.

The group has previously estimated reserves at over 1m oz of gold and 20m oz of silver.

Low silver and lead prices have forced the closure of the Sherman mine at Leadville, Colorado, owned by Hecla Mining of the U.S. The problems have been exacerbated by lower ore grades than expected.

Hecla said that 36 hourly-paid employees will be affected by the closure. A temporary development staff will be continued by salaried staff in preparation for a resumption of production when metal prices recover.

COMPANY NEWS IN BRIEF

E. T. Sutherland and Sons, chilled fresh food manufacturer, which came to the Unlisted Securities Market in May, announced pre-tax profits for the half year ended June 30 1984 up from £573,000 to £568,000. Turnover increased from £8.92m to £9.45m.

Earnings per share were stated at 2.46p against 2.44p, and the directors have declared an interim dividend of 1.33p, as anticipated in May. This is the first such dividend payable by the company. The directors hope to recommend a final dividend of 2p per share. Last year's final was 0.13p.

The company received £45,000 in interest this time, compared with £10,000 interest paid. Tax was up to £307,000 (£225,000) and the dividend absorbs £58,000 (nil), leaving £283,000 retained profit against £341,000.

In its initial figures since joining the Unlisted Securities Market, Proflometer reports pre-tax profits up from £294,324 to £295,879 for the year to June 30, 1984. The comparable figures are as adjusted for the prospectus and were after £13,157.

exceptional re-organisation expenses.

This manufacturer of moisture and temperature measuring material for crops, building materials and the atmosphere, improved its turnover from £1m to £1.13m.

After tax of £184,625 (£156,047) and dividends of £52,883 (£8,000), retained profits were £188,371 compared with £130,277. Stated earnings per share increased from 2p to 2.9p. A dividend of 0.7p is being recommended, as forecast.

Losses incurred in its London operations, where work has been difficult to obtain, at reasonable margins, has meant lower profits for Belfast-based McLaughlin and Harvey, builder and civil engineer, for the half year to June 30, 1984.

On turnover down from £25.06m to £23.46m the company returned pre-tax profits of £333,000 compared with £550,000 in the corresponding period. Earnings per 25p share were shown up at 10.4p (10.3p), and a same-again interim dividend of 2p is being paid.

Tax on a reduced £161,000 this time, against £276,000.

Blotomach International, effluent treatment engineer, had losses before tax, depreciation and written-off goodwill of £185,468 in the half-year to June 30, 1984. Losses at end-1983 were £138,000.

Depreciation totalled £7,001 and goodwill written off amounted to £24,300. There was again no tax payable. The company's net loss was £186,769 and the loss per 10p share was 2.24p. The company's shares have been traded on the Unlisted Securities Market since July 1983.

Mackay Carpets
 Manufacturers of Durham Carpets

Interim Report 1984

	Six months to 30th June 1984 £000	Six months to 30th June 1983 £000
Group turnover	£6,473	5,305
Trading profit before tax	163	102
Extraordinary profit after tax	285	-
Interim dividend — per share	1.40p	1.40p
Earnings per share	1.35p	0.99p

The Extraordinary profit relates to the sale of 5 acres of land which was surplus to future company requirements.

- Improved volumes in all our markets, particularly the E.E.C., were achieved in spite of strong competition.
- Current order book and enquiries give hope that we might repeat in the second half the trading cycle of recent years.

Hugh Mackay plc.
 Dragon Lane, Durham City DH1 2RK

NOTICE TO THE HOLDERS OF DANVA SECURITIES CO. LTD.
 (Incorporated in Japan)
 5% Convertible Bonds Due 1996 (the "1996 Bonds") and 5% Convertible Bonds Due 1998 (the "1998 Bonds")

Pursuant to Condition 5 (C) (iii) of the Terms and Conditions of the above-mentioned Bonds, notice is hereby given as follows:

- On 14th September, 1984, the Board of Directors of the Company resolved to make a new distribution of shares of the Company to shareholders of record as of 30th September, 1984, at the rate of 0.05 new share for each share held.
- Accordingly, the conversion price at which the 1998 Bonds and the 1996 Bonds may be converted into shares of Common Stock of the Company will be adjusted effective as of 1st October, 1984, to the conversion price of Yen 460.1 for the 1998 Bonds and Yen 451.6 for the 1996 Bonds, and the adjusted conversion prices will be Yen 411.6 for the 1996 Bonds and Yen 403.0 for the 1998 Bonds.

DANVA SECURITIES CO. LTD.
 By: The Bank of Tokyo Trust Company as Principal Paying Agent
 Dated: September 20, 1984

In search of management excellence


A Seminar for Banks and Financial Institutions

Rapid changes in the financial market are putting a growing premium on the optimum use and development of senior management staff. It is easy to see the difference between success and failure after the event, much harder to forecast accurately the complex of skills and characteristics demanded. Since 1969, Dr David Vinson, one of the leading occupational psychologists in the United States, has been retained by banking and financial institutions in the Gulf Coast area of the USA to evaluate crucial management skills before promotions or key assignments. His results have made a significant contribution to corporate earnings growth in one of the toughest and most competitive spheres of business.

Dr Vinson holds a number of government, medical and academic appointments and has been responsible for the development of a comprehensive approach to assessment of key managers in many of the major companies in the USA. His programmes, backed by more than 20 years of careful research and data collection, will shortly be available in the UK for the first time.

PA Personnel Services have invited Dr Vinson to conduct a seminar on his methods at the Tower Hotel in London on 3rd October 1984, commencing at 5.30 pm. To reserve your place, please contact Mrs. Laiji.

PA Personnel Services
 Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
 Tel: 01-235 6060 Telex: 27874



Eagle Star

Interim Report

Premium income, excluding life, increased by 14%. Estimated and unaudited results for the six months ended 30th June 1984 are shown below. Results for the half year cannot be taken as providing a reliable indication of those for the full year.

	Estimated six months to 30th June		Actual Year 1983
	1984	1983	1983
	£m	£m	£m
Premium income (excluding life)	325.2	286.0	571.7
Investment income	63.9	52.2	110.1
GroveWood Securities	10.5	8.0	23.3
Underwriting results	(53.8)	(32.2)	(60.3)
Shareholders' life profits	+10.2	+8.6	20.5
Other expenses	30.8	36.6	93.6
	(1.8)	(1.7)	(3.3)
Surplus before taxation	29.0	34.9	90.3
Taxation	(11.6)	(13.6)	(32.1)
Surplus after taxation	17.4	21.3	58.2
Minority interests	(3.1)	(1.9)	(4.6)
Extraordinary items	-	-	3.2
	14.3	19.4	56.8

* After transfer from reserves.
 † Half previous year's declaration.
 Overseas currencies have been translated at rates of exchange ruling at the end of the relevant periods.

INVESTMENTS. Investment income increased by 22% to £63.9m. After allowing for currency movements and special items the underlying increase was 10%.

GROVEWOOD SECURITIES. Profits are estimated at £10.5m (£8.0m), the VG Group having contributed substantially to this pleasing increase.

UNDERWRITING. The following analysis of the result by territories includes an estimate of that part of investment income (net of expenses) which arises from insurance funds:-

	Six months to 30th June			Full year		
	Premium income	Underwriting result	Investment income	1984	1983	1983
	£m	£m	£m	£m	£m	£m
United Kingdom and the Republic of Ireland ⁽¹⁾	228.5	(46.1)	36.5	(9.6)	3.7	19.8 ⁽⁴⁾
Australia	20.9	0.6	2.1	2.7	0.7	2.1
Belgium	15.1	(2.9)	2.2	(0.7)	(1.5)	(2.3)
South Africa	36.4	(8.5)	2.3	3.2	3.5	6.2
USA	11.8	(3.9)	1.0	(2.9)	(1.5)	(5.9)
Other territories ⁽²⁾	12.5	(2.3)	1.3	(1.0)	(0.2)	(0.2)
	325.2	(53.8)	45.4	(8.4)	4.7	19.7
Attributable to shareholders' funds ⁽³⁾	-	27.2	27.2	21.6	49.9	69.6
	(53.8)	72.6	18.8	26.3	69.6	69.6

(1) Including reinsurance and worldwide marine and aviation.
 (2) After adjusting the overseas unexpired risks provision.
 (3) Including GroveWood Securities.
 (4) After transfer from reserves.

INTERNATIONAL. Results for reinsurance and home foreign business continue to reflect the inadequate worldwide premium rates and these accounts remain unprofitable. The marine and aviation account shows some growth in premium income. With the exception of business written in the United States where the results are unsatisfactory the claims experience is now showing an improving trend.

OVERSEAS. Overseas net premiums show an increase of 15% over the first half of 1983, unaffected by currency fluctuations as increases in some currencies are balanced by falls in others. However, the overall results have been adversely affected by exchange rate movements, largely reflecting the effect of the depreciation of the South African Rand on the good results South African Eagle has again produced. In Australia the levels of premiums have increased and a significant profit has been achieved. Although the Belgian market is still suffering from excessive competition the results show an improvement over last year. Inevitably Eagle Star of America continues to suffer from the adverse insurance market in the United States. In other territories results have deteriorated slightly compared with the first half of 1983.

LIFE. For the first six months new worldwide annual premiums totalled £25.6m (£27.7m) of which £16.6m (£21.4m) arose in the U.K. Worldwide new single premium business was £77.7m (£48.6m) of which £61.1m (£43.6m) arose in the U.K. In part the reduction in new annual premium business this year is explained by the fact that 1983 benefited considerably from the introduction of the new MIRAS system of tax relief on mortgages. Inevitably the flow of new ordinary business has been affected following the loss of Life Assurance Premium Relief but this has been partly made up by increased individual pensions business and group life and pensions business both of which have made good progress and a most satisfactory increase has been achieved in immediate annuity business.

Eagle Star Holdings PLC, 1 Threadneedle Street, London EC2R 8BE
 (A member of the B.A.T Industries Group)

UNITECH

A further year of record achievement

The year ended 2nd June 1984 was another successful one for the Group in which all divisions contributed to the achievement of record sales and profits. The main features were:

- * Further investment made in USA - all manufacturing divisions now have established base in the American market
- * £7.8 million rights issue in September 1984 to fund expansion
- * 15.7% increase recommended in total dividend
- * Pre-tax profits more than doubled to £13.1 million
- * Sales increased 33% to £154 million
- * "The Board expects to report a further year of progress in 1984/5".

P.A.M. Curry, Chairman.

If you would like a copy of the Annual Report please write to the Secretary, Unitech plc, Phoenix House, Station Hill, Reading RG1 1NP.

UNITECH A group of companies engaged in manufacturing and marketing electronic components and equipment.

If you are in any doubt about the contents of this Prospectus you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted, and accordingly persons into whose possession this Prospectus comes are required by the Fund and J. Rothschild Charterhouse Management (Bermuda) Limited to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, this Prospectus does not constitute an invitation to the public of Bermuda to subscribe for Shares. The Shares are offered on the basis of the information and representations contained in this Prospectus and any further information given or representations made by any person may not be relied upon as having been authorised by the Fund, the Directors or the Managers. Neither the delivery of this Prospectus nor the allotment or issue of Shares shall under any circumstances create any implication that there has been no change in the affairs of the Fund since the date hereof. The Shares have not been registered under the United States Securities Act of 1933 and except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America, or any of its territories or possessions or areas subject to its jurisdiction, or to or for the benefit of a United States person. For this purpose, United States person includes a national or resident of the United States of America, a partnership organised or existing in any state, territory or possession of the United States of America, a corporation organised under the laws of the United States of America or of any state, territory or possession thereof, or any estate or trust, other than an estate or trust the income of which arises from sources outside the United States of America (which is not effectively connected with the conduct of a trade or business within the United States of America) and is not included in gross income for the purposes of computing United States federal income tax. The attention of United States persons is drawn to the paragraph headed "Restrictions on Shareholders" below and the compulsory redemption powers of the Fund mentioned therein. Persons interested in acquiring Shares in the Fund should inform themselves as to: (i) the legal requirements with the countries of their nationality, residence, ordinary residence or domicile for such acquisition; (ii) any foreign exchange restrictions or exchange control requirements which they might encounter on the acquisition or sale of Shares; and (iii) the income tax and other taxation consequences which might be relevant to the acquisition, holding or disposal of Shares. It should be appreciated that the value of Shares and the income from them can fall as well as rise. Unless otherwise stated in this Prospectus, "dollars", "cents" and "¢" means United States dollars and cents and "£" and "pounds" means Pounds Sterling.

A copy of this Prospectus has been delivered to the Registrar of Companies in Bermuda pursuant to the Companies Act 1981 of Bermuda and copies (having attached thereto the documents specified herein) have been delivered to the Registrar of Companies in London for registration pursuant to the Companies Act 1948 of Great Britain. This document includes particulars given in compliance with the Regulations of the Council of The Stock Exchange, London, for the purpose of giving information with regard to Charterhouse J. Rothschild Japan Fund Limited (the "Fund"). The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein whether of fact or opinion. All the Directors accept responsibility accordingly. Application has been made to the Council of The Stock Exchange for the whole of the issued share capital of the Fund to be admitted to the Official List. The Directors intend to apply for the Fund to be authorised by the Securities Commission in Hong Kong. Following the closing date of the initial offer of Shares referred to below, the subscription price for the Shares in the Fund being offered for subscription shall be calculated by reference to the net asset value of the Fund in accordance with the Bye-laws of the Fund.

CHARTERHOUSE J ROTHSCHILD JAPAN FUND LIMITED

(Incorporated with limited liability in Bermuda under the Companies Act 1981 of Bermuda as amended)

OFFER

of 2,000,000 Capital Shares of US10 cents each
("Shares") at US\$10 per Share payable in full on application

The application list for Shares at the above
subscription price will open at 10 a.m. on 25th September 1984
and may be closed at any time on 3rd October 1984

THE DIRECTORS OF THE FUND

RICHARD CHICHELEY THORNTON (British)
Chairman and President (British)
66 St. James's Street, London
SW1A 1NE
Richard Thornton is a director of Charterhouse J. Rothschild plc and is also a director of a number of listed companies, including several investment trusts. He is Chairman of J. Rothschild Charterhouse Pacific Management Limited and Charterhouse J. Rothschild Pacific Investment Trust plc.

COLIN PETER HOOK (Vice President)
(British)
801 Gloucester Tower, The Landmark, Central, Hong Kong
Colin Hook is managing director of J. Rothschild Charterhouse Pacific Management Limited and is also a director of a number of listed companies.

MICHAEL STEWART BUNKER (British)
801 Gloucester Tower, The Landmark, Central, Hong Kong
Michael Bunker is a director of J. Rothschild Charterhouse Pacific Management Limited and of GAM Pacific Inc. He has for a number of years been responsible for the management of the Asian investments of the Charterhouse J. Rothschild Group.

DONALD PETER LINES (British)
The Bank of Bermuda Building, Front Street, Hamilton 5-31, Bermuda
Donald Lines is a chartered accountant and has been Chief General Manager of The Bank of Bermuda Limited for 3 years. He is a director of a number of Bermuda-based investment companies.

RICHARD SHAFITO LOVE PEARMAN (British)
Clarendon House, Church Street, Hamilton 5-31, Bermuda
Richard Pearman is a barrister and attorney and has been a partner in the law firm of Conyers, Dill and Pearman for 25 years. He has served as a director of a number of investment companies for many years.

NILS OTTO TAUBE (British)
66 St. James's Street, London SW1A 1NE
Nils Taube is a director of Charterhouse J. Rothschild plc and Charterhouse Japhet plc. He is Chief Executive of J. Rothschild Investment Management Limited and has a number of other directorships both within and outside the Charterhouse J. Rothschild Group.

PRINCIPAL FEATURES

The following information is a summary of the principal features of the Fund but should be read in conjunction with the text of this Prospectus.

STRUCTURE

■ the Fund is an open-ended investment company incorporated in Bermuda

OBJECTIVE

■ to provide investors with long-term capital appreciation from Japanese securities

JAPANESE ECONOMY AND STOCKMARKET

- has provided the highest rate of post-war economic growth of all major industrialised nations
- has generated consistently high stockmarket returns
- is expected to continue to offer outstanding returns as a result of monetary stability, low inflation and high capital formation
- is expected to offer high growth potential in the robotics, factory automation, industrial and consumer electronics and the advanced telecommunications sectors

INVESTMENT AIMS AND POLICY

- to achieve substantial long-term capital appreciation by consistently investing in industries with above average growth potential
- to offer an actively managed portfolio mainly in marketable securities
- to place particular emphasis on those companies whose management has demonstrated an ability to adapt to changing markets and technologies
- to remain fully invested unless market conditions make it appropriate to hold significant cash deposits

THE MANAGERS AND INVESTMENT ADVISERS

- are an experienced team directing investment policy and management
- provide extensive experience and knowledge of Japan and its investment markets
- are supported by other companies within the Charterhouse J. Rothschild Group, which provide up-to-date information and direct access to investment markets worldwide and, in particular, Japan

DAILY DEALINGS IN SHARES

- Shares may be applied for or redeemed on any business day in Bermuda
- there will be a single price for the allotment and redemption of Shares which will be calculated by reference to the net asset value of the Fund
- Share prices will be published in the *Financial Times* in London when space becomes available and the *South China Morning Post* in Hong Kong

LISTING

- the Fund has applied for listing of its Shares on The Stock Exchange, London

DIVIDENDS

- dividend income is not likely to be significant as emphasis is on capital appreciation
- at least 85 per cent. of net income will be distributed
- dividends can easily be re-invested into further Shares

net asset value of the Fund. The Managers will be responsible for the fees of the Investment Advisers.

THE MANAGERS

The Managers are a wholly-owned subsidiary of J. Rothschild Charterhouse Management Limited ("JRCM"), which is a subsidiary of Charterhouse J. Rothschild plc ("CJR"), the widely based financial services group created by the merger of The Charterhouse Group plc and RIT and Northern plc. JRCM was formed earlier this year to manage the portfolios of certain quoted investment trusts, authorised unit trusts and other funds in Asia within or associated with the CJR Group. JRCM is also the manager of Charterhouse J. Rothschild Pacific Investment Trust plc, a United Kingdom quoted investment trust with an investment policy principally aimed at the Japanese and other Pacific markets. The level of funds under the management of JRCM already exceeds \$85 million.

Whilst the Directors of the Fund will be responsible for the overall investment policy of the Fund, the Managers will have responsibility for the selection of investments and the day-to-day management of the Fund.

THE INVESTMENT ADVISERS

The Investment Advisers, another wholly-owned subsidiary of JRCM, were specifically established in Hong Kong in order to manage investments in and advise on all the stockmarkets of the Pacific region.

By far the most important in Asia, the Japanese stockmarkets have been given considerable emphasis by the Investment Advisers, which have already established a team with extensive experience of investment in Asia. With its philosophy of in-depth research of recognised stock and currency markets, this team has contributed significantly to the successful performance of the Charterhouse J. Rothschild Pacific Investment Trust plc since its launch in March of this year.

The Investment Advisers have established an Investment Policy Committee, which meets regularly to review economic and stock market prospects and to initiate investment policy. The members of the Committee have between them many years' experience of the Japanese securities market. The Committee is led by—

Mr. Richard Thornton, aged 53, who is also Chief Investment Officer. Prior to joining CJR, he was a co-founder of GT Management Limited, a major British investment management company, where he was a director and chief investment officer until November 1983. He has specialised in Asian, and in particular Japanese, investments for 20 years. He has extensive knowledge and experience of Japan and the investment markets in that country.

The other members of the Committee are—

Mr. Colin Hook, aged 42, who is Managing Director of the Investment Advisers. Before joining the CJR Group in early 1984, he was managing director of San Miguel International, Limited where he was responsible for the international operations of San Miguel Corporation, the leading industrial group in the Philippines. In particular he directed corporate strategy and property investment policy. Prior to that he was responsible for the development of Joseph Sebag & Co.'s Asian operations for 5 years. He has lived in Hong Kong for 11 years during which time he has acquired an extensive knowledge of the Pacific region.

Mr. Michael Bunker, aged 34, who is Investment Director, has been actively involved in financial markets for 15 years, initially in stockbroking and latterly in fund management. He has specialised in investment in Asia for 5 years and was responsible for launching in 1981 the Target Malaysia and Singapore Fund, the first unit trust for that region to be authorised in the United Kingdom. He has been responsible for the management of CJR's Asian investments for the last 4 years.

Mr. James Mellon, aged 27, who is a senior fund manager, joined the Investment Advisers in July 1984 after resigning as a director of GT Capital Management Inc. in San Francisco where he was responsible for the management of that company's North American investments, which at the time of his resignation exceeded \$600 million. He began his career with GT Management Limited in 1978, specialising in the management of Japanese securities.

CHARTERHOUSE J. ROTHSCHILD plc

CJR is the ultimate holding company of the Managers. CJR was formed in December 1983 by the merger of The Charterhouse Group plc and RIT and Northern plc. CJR's market capitalisation at 31st August 1984 amounted to \$500 million. The CJR Group's principal businesses comprise merchant banking and investment management services and it has also established a leading position in the provision of development capital for industry, offering equipment leasing, project-related and consumer finance services. Charterhouse Japhet plc, a London Accepting House, is a wholly-owned subsidiary of CJR, which also owns 50 per cent. of L.F. Rothschild, Unterberg, Towbin, an investment banking firm in the United States, and close to 30 per cent. of Kitcat & Aitken, London stockbrokers.

These and other companies within the CJR Group will provide the Managers with up-to-date information about, and direct access to, investment markets worldwide and, in particular, in Japan.

THE CUSTODIAN AND BANKERS

The Bank of Bermuda Limited (the "Bank") will provide banking facilities to the Fund. The Bank is a licensed bank incorporated in Bermuda in 1890 under The Bank of Bermuda Act of 1890. The Bank is engaged in a wide range of international banking and trust services through its main office in Bermuda and subsidiaries in Hong Kong, London, Guernsey and New York. As at 30th June, 1984, consolidated gross assets exceeded \$2,600 million. The Fund has also appointed the Bank as Registrar of the Fund.

The Bank has also been appointed by the Fund as Custodian of the assets of the Fund in accordance with the terms of the Custodian Agreement (see paragraph 12(b) in Appendix II). These assets will be held either directly by the Principal Sub-Custodian, Bermuda Trust (Far East) Limited, or with correspondent banks around the world. Bermuda Trust (Far East) Limited is a registered trust company incorporated in Hong Kong in 1974 and is a wholly-owned subsidiary of the Bank.

MANAGEMENT AND ADMINISTRATION

MANAGERS
J. Rothschild Charterhouse Management (Bermuda) Limited
The Bank of Bermuda Building
Front Street Hamilton 5-31 Bermuda

INVESTMENT ADVISERS
J. Rothschild Charterhouse Pacific Management Limited
801 Gloucester Tower
The Landmark Central Hong Kong

CUSTODIAN, BANKERS AND REGISTRARS
The Bank of Bermuda Limited
The Bank of Bermuda Building
Front Street Hamilton 5-31 Bermuda

PRINCIPAL SUB-CUSTODIAN
Bermuda Trust (Far East) Limited
2401 Edinburgh Tower
The Landmark Central Hong Kong

SECRETARY AND REGISTERED OFFICE
Thomas Haskins Davis, C.A.
The Bank of Bermuda Building
Front Street Hamilton 5-31 Bermuda

STOCKBROKERS
Cazeneuve & Co.
12 Trenchard Yard
London EC2R 7AN

AUDITORS
Peat, Marwick, Mitchell & Co.
Chartered Accountants
P.O. Box 906 Vallis Building
Hamilton 5-31 Bermuda

RECEIVING BANKERS
Morgan Guaranty Trust Company of New York
23 Wall Street New York, N.Y. 10015
United States of America

THE BANK OF BERMUDA LIMITED
The Bank of Bermuda Building
Front Street Hamilton 5-31 Bermuda
Midland Bank plc
110-114 Cannon Street,
London EC4N 6AA

LEGAL ADVISERS TO THE FUND AND TO THE MANAGERS
In Bermuda:
Conyers, Dill and Pearman
Clarendon House Church Street
Hamilton 5-31 Bermuda

In the United Kingdom:
Stephenson Harwood
Saddlers' Hall Gutter Lane
Cheapside London EC2V 6BS

INTRODUCTION

The Fund is incorporated as a mutual fund company in Bermuda with limited liability. It is an open-ended investment company in that it can offer Shares to investors on a continuing basis and the Bye-laws confer upon Shareholders the right to have their Shares redeemed.

The purpose of the Fund will be to invest in equity or convertible equity securities of Japanese companies which are seen as having substantial growth potential. These investments will normally be quoted on a recognised stock exchange in Japan but may in certain cases be unquoted. The principal investment objective will be long-term capital appreciation.

The Fund will be managed by J. Rothschild Charterhouse Management (Bermuda) Limited (the "Managers"), which will receive investment advice from J. Rothschild Charterhouse Pacific Management Limited (the "Investment Advisers").

For the services to be performed by the Managers under their Management Agreement with the Fund, the Managers will receive a quarterly management fee currently equivalent to 1% per cent. per annum of the

Handwritten note: "Handwritten note in Arabic script at the top center of the page."

UK COMPANIES

Folkes Hefo reaps the benefits of rationalisation

WITH NEARLY all units showing improvements John Folkes... After incorporating an industrial property revaluation in 1979...

IMPORTANT NOTICE FOR DEBENTUREHOLDERS

K mart (Australia) Properties Finance Limited

7% Trust Debentures due December 15, 1984 (the "Debentures") (subject to extension to September 15, 2002)

Further to the Offer to Debentureholders dated May 28, 1984 by Orion Royal Bank Limited ("Orion")...

September 20, 1984 Orion Royal Bank Limited

APPOINTMENTS

New chief for BIBA

Mr Michael Morris will be retiring as director-general of the BRITISH INSURANCE BROKERS' ASSOCIATION on January 31 1985...

PAUL WINNER MARKETING COMMUNICATIONS has appointed Mr Richard May as a director...

Mr Stas Manning, former executive director of Inbuccon Asia based in Singapore...

CREDIT AND COMMERCE LIFE ASSURANCE has appointed Mr Michael King as broker director...

LANCAR, UK concessionaire for Lancia, has appointed Mr Ettore Balloste as sales and marketing director...

Mr Christopher Hutton-Pennam, marketing director of GUARDALL, the Chubb Group subsidiary...

Mr Tom Appleton has been appointed a director of CROYDON CABLE TELEVISION...

STEEL BURRILL JONES GROUP has appointed Mr J. D. Williams, as a director of Steel Burrill Jones Ltd.

Following AUTOMOTIVE PRODUCTS divisional restructuring Mr F. E. Crawford becomes director and general manager...

Mr Brian S. Wallace will retire as deputy chairman of CREIG FESTER GROUP...

Mr Oscar Feruch, managing director of Mead and McCraith (Pty), South Africa...

Mr R. A. Inchev, director of engineering, Mr R. A. Inchev, director of engineering...

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BUSINESS LAW

Vain attempt to increase competition

THE ECONOMIC approach to law—a fashion arriving from the U.S.—leads sometimes to the conclusion that both justice and law have or should have as their overriding aim the maximisation of the wealth of society...

Mr Neil McGowan has been appointed deputy managing director of the INTERNATIONAL MONETARY FUND...

Mr L. P. Parkin, group general manager of MUNICIPAL INSURANCE GROUP, will be succeeded on January 1 1985 by Mr A. R. M. Maclean...

Mr K. L. Fuller has been appointed director of PHILIPS RESEARCH LABORATORIES, Runcorn...

Professor Andrew Ehrenberg has been appointed the first W.C.M. Professor of Marketing and Communication at the LONDON BUSINESS SCHOOL...

Mr Brian S. Wallace will retire as deputy chairman of CREIG FESTER GROUP...

Mr Oscar Feruch, managing director of Mead and McCraith (Pty), South Africa...

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Mr Oscar Feruch, managing director of Mead and McCraith (Pty), South Africa...

owner has to compete against other brands he will not be able to afford to give his distributors unnecessary protection from competition...

The Chicago school makes much of the "barriers to entry," the cost to the supplier of establishing himself on a new market...

Why should the exemption apply only when this exclusivity is required to start a new production? It surely cannot be in every case anti-competitive to allow the distribution to protect the markets of the dealers?

This philosophy is expounded in "The Economics of Justice," by Richard A. Posner, Harvard University Press, 1423 U.S. 38: 53 L. Ed. 2d 558.

"Exclusive Dealing Agreements in the EEC," European Law Centre, 1984, A. H. Hermann, Legal Correspondent

CITICORP OVERSEAS FINANCE CORPORATION N.V. Unconditionally guaranteed on a subordinated basis by CITICORP. Notice is hereby given that the rate of interest for the initial interest period has been fixed at 11 7/8%...

12. The following contracts (not being contracts in the ordinary course of business) have been entered into since the incorporation of the Fund and are, or may be, material... The procedure for application is set out under 'Subscriptions and Redemptions' above and also below and the Application Form is annexed hereto...

CHARTERHOUSE J. ROTHSCHILD JAPAN FUND LIMITED APPLICATION FORM. The application list for the Capital Shares of US 10 cents each ("Shares") now offered for subscription at US\$10 each will open at 10.00 a.m. on 25th September, 1984...

TECHNOLOGY

EDITED BY ALAN CANE

U.S. DEPARTMENT OF DEFENSE TO SPEND \$50m ON UNMANNED WALKING MACHINES

Robots that walk on the wild side

BY PETER MARSH

ENGINEERS in the U.S. have started a \$50m project to develop an unmanned vehicle that would steer itself at up to 20 km/hour over virtually any terrain from larmac to rough countryside.

Rather than navigate around obstacles such as lumps of rock (or ordinary road users), the vehicle will walk over them. Instead of using wheels, engineers will equip the vehicle with four legs, each about two metres tall.

The project has a lot to offer the world's car and factory-equipment industries, claims Mr Roger Schappell, an engineer with Martin Marietta Aerospace in Denver, who is one of the programme's managers.

Mr Schappell has already discussed with researchers at General Motors how ordinary cars could be improved by navigation equipment that, for example, detects the presence of obstacles or automatically steers around corners.

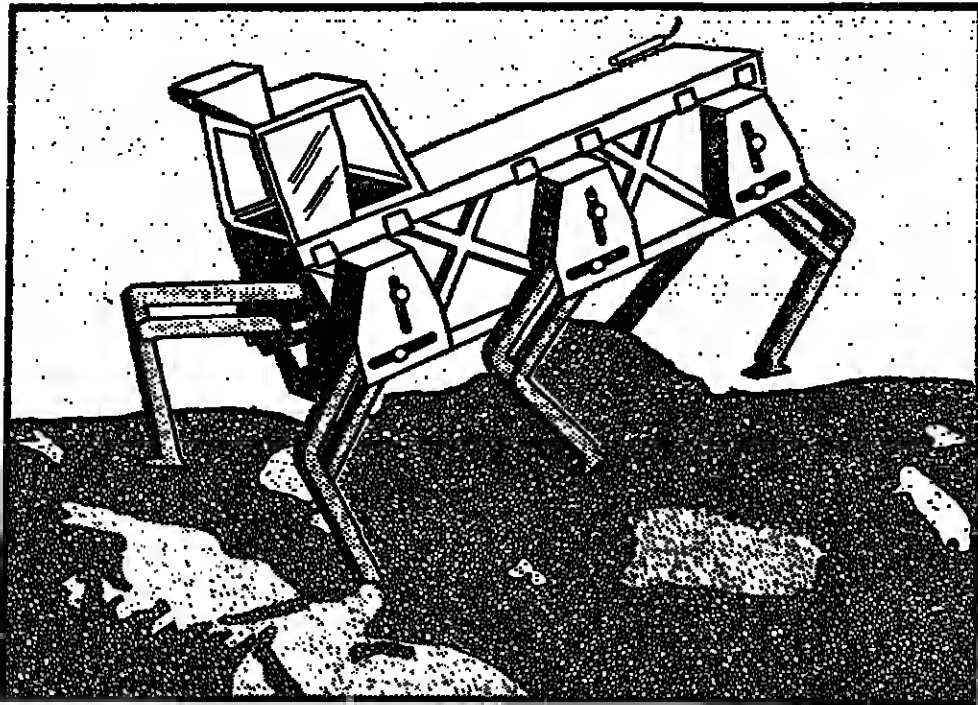
Companies that make industrial robots could also benefit from technologies that the programme develops. Most robots in factories stay in fixed positions. But walking machines could open up new opportunities—for instance, they could replace human supervisors in jobs such as inspection of machine tools.

The unmanned vehicle programme is sponsored by the U.S. Defense Advanced Research Projects Agency (DARPA), a division of the Department of Defense. DARPA is paying Martin Marietta \$17m to act as project manager for part of the study.

A dozen or so other contractors are working on smaller parts of the project, which is due to end in 1990 with a demonstration of a legged system that can work out for itself how to traverse 20 km of countryside.

Human operators will command the machine as if it were a shepherd controlling a dog. Shepherds give their charges relatively undetailed instructions about rounding up sheep, leaving to the animal the minutiae of how to go about the job.

In a similar way, DARPA engineers plan to give their



Researchers at Ohio State University hope to finish work on this six-legged walking machine by the end of the year.

vehicle only simple instructions, for example, to go from point A to point B in the shortest time possible. The computer in the system would work out how to do the task.

In the early stages of the project, engineers would communicate with the vehicle by a keyboard. As a result of research in voice-recognition techniques, they hope later to tell the system what to do simply by talking to it.

According to Dr Clinton Kelly, the DARPA scientist in charge of the programme, the U.S. Army could employ hardware based on the unmanned vehicle. Such equipment could ferry across rough countryside supplies or even weapons. It could act as a mobile sentry or go on mapping missions.

The contraption will be based on work at Ohio State University. There, Dr Bob McGhee, who has worked for 19 years on walking vehicles, is nearing the end of his latest project. This is a design of a machine that does not tumble over like some

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on laboratory models of four-legged walking hardware that has a reasonable chance of reaching DARPA's targetted speed of 20 km/h.

The Pittsburgh researcher started in this area with work on a one-legged machine, the so-called "pogo stick" robot. With the proper instructions, he was able to keep this bouncing up and down for minutes on end.

Dr Raibert says that to control the device was much simpler than he thought. Just three factors were important: the speed of the "pogo-stick" over the ground, the height of jumps; and whether the body of the hardware remained upright.

The Environmental Research Institute of Michigan, a company in Ann Arbor, is developing a laser scanner that will give the contraption a three-dimensional picture of its surroundings up to 100 metres away. The information will be supplemented by images from colour TV cameras.

The data from these sensors will be compared with digital images of maps of the terrain that the machine is covering.

Dr Kelly has a detailed schedule for the development of the hardware. By next May, workers hope to demonstrate an unmanned wheeled vehicle that can travel for 10 km along a road of 5 km/hour.

In May 1986, researchers want the hardware to travel at 10 km/hour on a road studded every 30 metres with obstacles up to 2 metres high.

In 1987, the machine, still on wheels, will be unleashed without an operator across rough country, but probably part of the Arizona desert. The crunch will come in 1989 when engineers assemble the two elements of the programme—the work on navigation systems using wheels and the development of the walking machine.

The final version of the hardware, thinks Dr Kelly, will be powered by a gas-turbine engine. But on one small matter, he has not made up his mind. Although defence funds are paying for the project, he thinks the mechanism should not look like a military vehicle.

"I don't know what colour we're going to paint it—but it won't be Army green."

The pilot controls the machine like a rider controls a horse," observes Dr McGhee. "People on horses point the animal in the right direction but do not tell it how to trot."

According to Dr McGhee's calculations, the machine (which runs on a converted motorcycle engine) will walk at about 12 km/hour. Petrol consumption will be high, at roughly 1 kilometre a litre.

Over the next few years, engineers plan radically to alter Dr McGhee's current vehicle. They will adapt it so it does not require a driver. Secondly, they will strip off two of its legs. Six-legged machines, though highly stable, would never reach the high speeds DARPA requires for the 1990s version of the vehicle.

In this part of the programme, DARPA is pinning its hopes on Dr Marc Raibert, a computer scientist at Carnegie-Mellon University in Pittsburgh. Dr Raibert is working

ports are expected to continue to lead business expansion.

Toward a new era of growth

The fiscal 1984 budget compilation has already gotten underway based on the Cabinet decision favoring continued austerity. The austerity program may be somewhat modified later to the year as tax revenues are likely to increase faster than expected and there are rising calls for increased public works spending. While public works investment is apparently needed to bolster Japan's still unsatisfactory social capital, the question is its timing and balance with other issues facing the nation's economy.

The Economic White Paper cited promotion of administrative and fiscal reforms as a means to achieve a "new era of growth." Specifically, it stated that it is essential for the national treasury to totally eliminate its dependence on deficit-financing bonds by fiscal 1989 and at the same time lower its dependence on borrowing as a whole.

Now that tax revenues are expected to become larger than predicted because of improved corporate earnings, it is hoped that a major step toward fiscal restructuring will be taken.

MARINE SAFETY

How to detect the deadly mist

BY ANDREW FISHER

DEEP WITHIN the ship, the engine is working away noisily. Elsewhere, the crew goes about its business unconcerned. Suddenly, an explosion shatters the ship's orderly routine.

It is a hazard dreaded by every seafarer. At best, the blast can cause expensive damage to the engine. At worst, it can sink the ship and drown the crew.

Detecting the build up of oil mist is vital if explosions are to be prevented. A UK firm, Product Innovation, has invented a system which it claims can provide almost immediate warning of danger.

Called the QMI Oil Mist Detector, it is described as the first complete solid state instrument to sense oil mists in every single crankcase continuously. It thus cuts out time lag.

Vaporised oil mist in the engine means a bearing is overheating in the crankshafts and boiling the lubricating oil. Eventually, if nothing is done, the red-hot bearing will ignite the extra mist and cause an explosion.

Nobody knows just how many fatal or near-fatal ocean disasters stem from such well explained causes. The unexplained losses of large ships in recent years.

Product Innovation, in which London merchant bank Hill

Samuel and other financial institutions recently took a 15 per cent stake, thought up the new detector for Quality Monitoring Instruments, part of the privately-owned James Hugh Group.

QMI said the detector was very compact and had a highly centralised monitoring system. It has been tested out on the Woolwich ferry on the Thames.

The detector, to compete with different systems made in the UK, West Germany, and Japan, can be monitored away from the engine room on the bridge. It uses the principle of light scatter rather than the light absorption of other detectors.

It can monitor 12 detection points at once and thus take care, in certain circumstances, of two diesel engines. Tests with a large engine will start soon on a tanker.

The microprocessor monitoring shows up clearly on a screen in green, amber or red, according to the degree of safety or danger. Alarms go off when the flashpoint is reached.

The cost runs from around \$4,000, depending on engine size. QMI puts the unit's total potential marine market at some 2,500 a year. It also sees enormous scope on land, especially in power stations.

Andrew Fisher

UWIST awarded government contract

Energy saving in factories

THE Welsh School of Architecture, UWIST, has been awarded almost £130,000 by the Department of Energy, and the Science and Engineering Research Council to develop energy conservation in factories.

"The intention is to bring factory buildings into the twentieth century," says Professor Patrick O'Sullivan. "UWIST is evaluating the energy savings obtained in the WDA's new energy saving range of Advance Factories built at Bridgend and Newport."

Factory design already reflects how industry is chang-

ing. Units are smaller and they're closer in construction to warehouses than traditional corrugated steel sheds. However, in order to enhance energy efficiency, the new WDA factories develop a floor area of only 200 square metres. Integrating office accommodation into the working area adds further savings to the floor space and, as a result, less heat is lost.

Prof O'Sullivan may be contacted at the Welsh School of Architecture, UWIST, King Edward 7th Avenue, Cardiff. Tel: 0222 425588.

Contract Research & Development-Contact IRD

International Research & Development Co Ltd
Fossway, Newcastle upon Tyne NE6 2YD

Software MusiCalc's musical footnotes

A COMPUTER program from MusiCalc turns the Commodore 64 into a music synthesiser. The machine can be programmed to allow the user to play along with pre-programmed melodies, to create and store compositions for later playback and to allow music to be amended and altered.

The program developed by Wessman in the U.S. costs \$45. It is aimed at the home, education and professional musicians. MusiCalc intends to introduce several music software packages in the coming months. Already available is an automatic musical notation score writer. More details from the company in London on 01-241 2448.

Microcomputers Information storage

AESTOR based at Portlaid, Sussex, has developed a removable cartridge storage system for microcomputers. The company has already won 22 orders worth more than £300,000. The company says that the Aestor system stores as much information as a hard disk and is intended for back-up storage in case the computer fails.

The company's Alpha 16 system holds 20 Mbytes of storage about the equivalent of 40 paperback books. There are other sizes available. More details from the company on 0273 425512.

MAKER OF THE BBC COMPUTER NOW COMPETES WITH IBM

Acorn enters the business battle

BY ANTHONY QUINN

ACORN COMPUTERS, manufacturer of the highly successful BBC Microcomputer, will this week unveil a new range of eight computers to launch the company into direct competition with established names in the business market. ACT's Sirius and American giant IBM's PC are the targets rather than the QL from Sinclair Research.

More than 350,000 BBC machines have been sold so far, making Acorn Britain's largest micro manufacturer, but few of these have gone into professional business environments. Now the aim is to change this by using the established BBC technology and adding networking, wordprocessing and other facilities.

The system is based around a full professional keyboard linked to a monitor with the 6502 processor chip used in the BBC Micro, disc drives and other hardware built into the base. Other chips, "second processors," provide the main computing power in the more expensive micros.

Prices will not be announced until later in the year, but the micros, known as Acorn Business Computers, are likely to fall in a band of £500 to £800. At the low end will be a dedicated wordprocessor, the

Personal Assistant, which will be upgradable to rival the recently announced IBM-PC AT (Advanced Technology), with the capability to be linked to other Acorn machines through Easynet, a local area network system.

Although the computing power will vary considerably across the range, the physical size of the machines will stay consistent as the extra hardware for the upgrading will be slotted into the monitor casing. The eight computers are:

- The Terminal, the bottom-of-the-range machine designed solely as an intelligent monitor to interface to an Easynet network, viewdata system or floppy frame computer. Its specification will be similar to the BBC Micro. It cannot be upgraded, unlike the other micros.
- Personal Assistant. A dedicated wordprocessor with floppy disc drive storage and software included in the machine.
- ABC100 with a 280K second processor and two 700K disc drives to run standard CP/M business software.
- ABC110. As the 100, but with one of the floppy drives replaced with a 10MB hard disc.
- ABC200 and 210. The 280K chip of the 100 machines is replaced with the National

Semiconductor 32018, a 32-bit processor which will run the Unix operating system developed by American Telephone and Telegraph (AT & T). Unix is seen as having a major role to play in the development of microcomputers, especially in industry and universities.

● The flagship ABC300 and 310 micros are based around the new IBM AT, Intel's 80286. They will use the Concurrent operating system from Digital Research, which has CP/M and MS-DOS variants, giving the user the ability to perform several tasks at the same time.

All eight machines should be available by next summer, and will be on show to the public for the first time at the PCW Show in London's Olympia 2 from today (September 20) to Sunday.

The ABC range will help fulfil the aim of Acorn's managing director, Mr Chris Curry to diversify into the business computer sector, decided by his company's 50th purchase of Torch Computers in May. It also follows Acorn's success in July in extending for four years the company's contract to produce the BBC Microcomputer.

DAIICHI KANGYO BANK

DKB ECONOMIC REPORT

September 1984; Vol. 13, No. 9

Steady economic expansion coupled with price stability continues in Japan as in U.S.

The U.S. economy is continuing to show price stability and high growth. In Japan also, business is steadily expanding, led by corporate capital investment and exports, with prices continuing to be remarkably stable. Signs of recovery are finally beginning to emerge in personal consumption demand after a long period of weakness.

In the middle of August, the Government issued the fiscal 1984 edition of the annual economic report, "Economic White Paper". Its title reads "Japanese Economy Remains Anew to Internationalization." The report summed up the current state of the Japanese economy as "having gotten beyond the decade (1973-82) of inflation and oil crises" and about to enter "a new era of growth." It then goes on to state that "various restrictions notwithstanding, it is necessary and possible for the nation to realize through its own efforts stable and strong growth and to play a more positive role in the management of the world economy." The bright and optimistic tone of this year's report is a reversal from the somewhat subdued mood that dominated its predecessors in the past several years.

One reason for that perhaps is that the report concentrated on addressing a range of problems that concern external economic relations and stayed away from the issue of administrative and fiscal reforms. This approach caused the document to shed light on the strong aspect of the Japanese economy, its production of a huge current account surplus, while concealing in the background its weakness (or fragility), the existence of huge budget deficits.

Another factor that made the white paper's tone cheerful was the news that the Japanese economy is starting to follow a path of steady expansion in the midst of price stability.

U.S. ahead of Japan in economic expansion

When it comes to non-inflationary economic expansion, the U.S. is a step ahead of Japan. During the first quarter of this year, the U.S. economy achieved an inflation-adjusted 10.1 per cent growth at an annual rate, the highest since the second quarter of 1978 when an 11 per cent growth was posted. As a result, the annualized growth rate of the first half of this year came out to be 8.4 per cent, assuring a 6.4 per cent gain for the entire year even if growth were zero in the last half of the year.

Despite the sharp expansion of the economy, inflation is continuing to be generally moderate. The increase in the GNP deflator for the second quarter slowed to 3.2 per cent on an annual basis from 4.4 per cent in the preceding period. While the price rises stayed on the 2 per cent level and consumer price advance on the 4 per cent level.

If the 0.9 per cent drop in the index of leading indicators for June and the 0.4 per cent rise in unemployment meant slowdown of the pace of economic expansion, they are welcome developments in that resurgence of inflation could be precluded and, therefore, the expansion could be maintained over a long period.

Business turns up amid price stability

In Japan also, expansion of business and price stability are proceeding hand in hand.

Exports are maintaining a high growth rate, centering on shipments to the U.S. The increase during the April-June period was 23.3 per cent over a year earlier in dollar value and 16.3 per cent in volume. These growth rates were larger than the 17.3 per cent and 15.6 per cent recorded, respectively, for the preceding period. With the value of export letters of credit continuing at a high level, ex-

ports are expected to continue to lead business expansion.

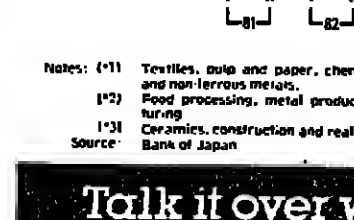
Toward a new era of growth

The fiscal 1984 budget compilation has already gotten underway based on the Cabinet decision favoring continued austerity. The austerity program may be somewhat modified later to the year as tax revenues are likely to increase faster than expected and there are rising calls for increased public works spending. While public works investment is apparently needed to bolster Japan's still unsatisfactory social capital, the question is its timing and balance with other issues facing the nation's economy.

The Economic White Paper cited promotion of administrative and fiscal reforms as a means to achieve a "new era of growth." Specifically, it stated that it is essential for the national treasury to totally eliminate its dependence on deficit-financing bonds by fiscal 1989 and at the same time lower its dependence on borrowing as a whole.

Now that tax revenues are expected to become larger than predicted because of improved corporate earnings, it is hoped that a major step toward fiscal restructuring will be taken.

Ratio of Pre-Tax Recurring Profits to Sales



Notes: (1) Textiles, food and paper, chemicals, oil refining, ceramics, steel and non-ferrous metals.
(2) Food processing, metal products, machinery and other manufacturing.
(3) Ceramics, construction and real estate.
Source: Bank of Japan

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BASE LENDING RATES

A.B.N. Bank	10 1/8%	Hill Samuel	10 1/8%
Allied Irish Bank	10 1/8%	C. Hoare & Co.	10 1/8%
Amro Bank	10 1/8%	Hongkong & Shanghai	10 1/8%
Henry Ansbacher	10 1/8%	Kingsnorth Trust Ltd.	10 1/8%
Armo Trust Ltd.	10 1/8%	Knowledge Co. Ltd.	10 1/8%
Associates Cap. Corp.	10 1/8%	Lloyds Bank	10 1/8%
Banco de Bilbao	10 1/8%	Mallinhal Limited	10 1/8%
Bank Hapoalim	10 1/8%	Edward Manson & Co.	10 1/8%
BCCI	10 1/8%	Megray and Sons Ltd.	10 1/8%
Bank of Ireland	10 1/8%	People's Tr. & Sav. Ltd.	10 1/8%
Bank of Cyprus	10 1/8%	Milans Bank Ltd.	10 1/8%
Bank of India	10 1/8%	Morgan Grenfell	10 1/8%
Bank of Scotland	10 1/8%	National Bk. of Kuwait	10 1/8%
Banque Paribas Ltd.	10 1/8%	National Girobank	10 1/8%
Bardays Bank Ltd.	10 1/8%	National Westminster	10 1/8%
Beneficial Trust Ltd.	10 1/8%	Norwich Gen. Trst.	10 1/8%
Brit. Bank of Mid. East	10 1/8%	People's Tr. & Sav. Ltd.	10 1/8%
Brown Shipley	10 1/8%	R. Raphael & Sons	10 1/8%
CL Bank Nederland	10 1/8%	P. S. Refson & Co.	10 1/8%
Canada Permut Trust	10 1/8%	Roxburghs Guarantee	11 1/8%
Cayer Ltd.	10 1/8%	Royal Bk. of Scotland	10 1/8%
Cedar Holdings	11%	Royal Trust Co. Canada	10 1/8%
Charterhouse Japhet	10 1/8%	Standard Chartered	10 1/8%
Charltons	10 1/8%	Trade Dev. Bank	10 1/8%
Citibank	10 1/8%	TCB	10 1/8%
Citibank Savings	12%	Trustee Savings Bank	10 1/8%
Clydesdale Bank	10 1/8%	United Bank of Kuwait	10 1/8%
C. E. Coates & Co. Ltd.	10 1/8%	United Micro Bank	10 1/8%
Comm. Bk. N. East	10 1/8%	Volksbank Limited	10 1/8%
Consolidated Credits	10 1/8%	Westpac Banking Corp.	10 1/8%
Co-operative Bank	10 1/8%	Whiteaway Laidlaw	11%
The Cyprus Popular Bk	10 1/8%	Williams & Glyn's	10 1/8%
Dunbar & Co. Ltd.	10 1/8%	Wintour Sec. Ltd.	10 1/8%
Duncan Lawrie	10 1/8%	Yorkshire Bank	10 1/8%
E. F. Trust	12%		
Exeter Trust Ltd.	11%		
First Nat. Fin. Corp.	12%		
First Nat. Secs. Ltd.	12%		
Robert Fleming & Co.	10 1/8%		
Rh. Fraser & Ptns Ltd.	10 1/8%		
Griffiths Bank	10 1/8%		
Guthrie & Mahon	10 1/8%		
Hamroes Bank	10 1/8%		
Hertford & Gen. Trust	10 1/8%		

Members of the Accounting Standards Committee.
7-day deposits 7.25%, 1-month 8.00%, 3-month 8.50%, 6-month 9.00%, 12 months 9.50%, 7 day deposits on sums of over £20,000 7%, £10,000 and over 8%, £5,000 and over 9%.
Call deposits £1,000 and over 7%, 21-day deposits over £1,000 8%, Demand deposits 7%.
Mortgage base rate.

SECTION III - INTERNATIONAL MARKETS FINANCIAL TIMES

Thursday September 20 1984

NEW YORK STOCK EXCHANGE 38-40 AMERICAN STOCK EXCHANGE 38-40 U.S. OVER-THE-COUNTER 40, 48 WORLD STOCK MARKETS 40 LONDON STOCK EXCHANGE 41-43 UNIT TRUSTS 44-45 COMMODITIES 46 CURRENCIES 47 INTERNATIONAL CAPITAL MARKETS 48

WALL STREET

Attack of blues after early rally

A LATE downturn among blue-chip issues undermined an attempted rally on Wall Street stock markets yesterday. At the close, the Dow Jones Industrial Average was down 13.25 at 1213.01, its largest one-day fall since August 15. Trading volume totalled 122m shares, compared with Tuesday's 108m.

funds rate later eased further to 11 1/2 per cent.

The Commerce Department's announcement that August housing starts dropped a larger than expected 12.8 per cent - to their lowest level since December 1982 - spurred prices higher in early credit market trading.

Prices of short and intermediate coupon issues later turned 1/2 to 1 1/2 higher while at the long end, the 1 1/2 per cent of 2014, added 1/2 to 103 3/4.

At the short end, yields on Treasury bills rates were lower. The three-month bill, yielding 10.24 per cent, was eight basis points down, and the six-month bill, yielding 10.28 per cent, was 11 basis points easier. Money market rates were broadly lower.

Late in the day, the Treasury announced that the average yield at its auction of \$8.51bn of two-year notes was 11.94 per cent.

In the stock markets, the early dip in the Dow was partially attributed to a 5 1/2 decline to \$57 by General Electric in heavy volume after one analyst removed the stock from his buy list and issued a short-term sell recommendation.

Semiconductor issues were hard hit late in the day after a Merrill Lynch analyst withdrew his strong buy recommendation. Among issues to fall in heavy trading, National Semiconductor shed \$1 to \$13 3/4 on volume of almost 2.5m shares, and Intel dipped \$2 1/2 to \$31 1/4 with 1.4m shares traded.

A 5 1/2 rise to \$34 1/2 by Avco prompted a comment from the financial services, Aerospace Insurance and Motion Pictures Group, that it knew of no reason for the activity in its stock.

Texas Instruments shed \$1 to \$132 after the company said that some tests were not performed according to specifications on certain of its microcircuits, sold to defence contractors. Last week, the Pentagon told up to 80 defence contractors to stop using suspect microcircuits.

General Motors dipped 5/8 to \$44 on a new contract with the United Auto Workers resumed. Ford added 5/8 to \$46 1/2, and Chrysler edged 3/8 ahead to \$30 1/2.

Among technology stocks, which were broadly lower on Tuesday, Burroughs continued easier, slipping 5/8 to \$59 1/2, but Control Data picked up 5/8 to trade at \$26 1/2. Motorola was unchanged at \$40 1/2.

The major steel groups failed to derive much benefit from proposed restraints on foreign imports. U.S. Steel dipped 5/8 to \$24 1/2, Armco 5/8 to \$11 1/2.

Financial Corporation of America traded unchanged at \$8 1/2 after the disclosure that California's savings and loan commissioner is to review the \$2m severance pay given to the former chairman, Mr Charles Knapp, shortly before he was replaced by Mr William Popejoy.

Among aerospace issues, Gates Learjet fell 1 1/4 to \$14 1/2 following the announcement that it will temporarily suspend output of its commercial business jets and lay off 1,900 of its 3,520 strong workforce. The company said an expected upturn in the business jet markets had yet to materialise.

ITT traded 5/8 lower at \$28 1/2 as it offered early retirement incentives to 11 per cent of its corporate headquarters staff, in a further effort to reduce its costs.

EUROPE

Flurry fails to find broad appeal

THE SUDDEN burst of activity in Germany on Tuesday failed to create many ripples throughout Europe yesterday. Bourses were mixed.

Frankfurt managed to extend some of its recent strength, but the main driving force behind the rally, the rampaging dollar, had subsided. The Commerzbank index, nevertheless, put on 0.4 to 1,049.1.

Car makers still featured, with VW rising DM 3.80 to DM 177.80 and BMW adding DM 1 to DM 399 although Daimler surrendered DM 4 to DM 583.50 following the previous session's surge.

Degussa, the precious metals group and a manufacturer of catalytic converters, benefited again from speculation over the effect of new vehicle pollution controls and rose DM 11.80 to DM 363.

Allianz reached another new high for the year with a DM 16 advance to DM 1,011 on suggestions of an impending corporate reshuffle, while AEG moved confidently ahead by another DM 2 to DM 107 after its receivership was lifted.

Siemens' DM 320 rise was just sufficient to take it to a new high of DM 416 for the year.

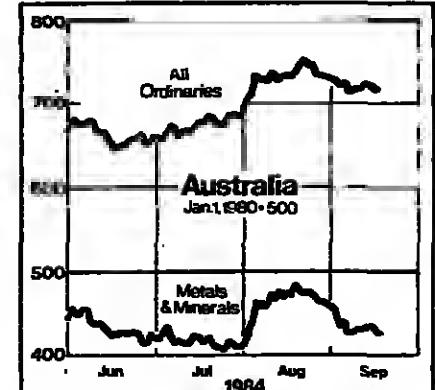
vance to BFr 7590. Elsewhere, chemicals were mostly steady.

Zurich found a modicum of inspiration from the overnight rally on the German bourses and finished yesterday firmer on fresh overseas buying.

The move by major banks to raise their customer time deposit rates to 4.75 per cent (4.25) eased bonds by up to 1/4 point and buoyed bank shares. Insurers and financials remained quiet.

A mixed Milan had Fiat L20 stronger at L1,806 following its capital restructuring while a broadly lower Madrid saw banks mixed, chemicals, electricals and constructions lower and foods higher.

Stagnant trading in Stockholm left most sectors mixed.



AUSTRALIA

THE STRENGTH of the dollar gave rise to caution in Sydney and a slow drift down among leading industrial issues. The All-Ordinaries index was 1.1 lower at 1,171.1, while the metals index eased 0.7 to 425.3.

Although mining stocks were generally weaker, falls were smaller than those recorded during most trading sessions in the past two weeks.

Analysts in London believe that a firmer trend is emerging in metal prices which may underwrite higher profits than have been predicted in recent months. Copper was singled out as having the strongest medium-term future, particularly as international supplies tighten.

Leading copper stocks continued to ease, however, amid overriding concern about the dollar. MIM fell 2 cents to A\$2.83, and Bougainville 1 cent to A\$1.63.

In a reaction to recent heavy selling and an upswing in the international bullion price, several gold stocks moved forward. Renison added 10 cents to A\$2.60, Whim Creek 8 cents to A\$2.50 and Gold Mines of Kalgoolie 30 cents to A\$6.

Falls were more marked among major oil and gas issues. Hartogen and Weeks Petroleum shared 10-cent losses to A\$2.20 and A\$4.40 respectively, while Santos eased 4 cents to A\$6.70.

Banks were mixed, with ANZ up 5 cents to A\$4.75, National 5 cents down to A\$3.28 and Westpac steady at A\$3.70.

LONDON

Competition inspires surprises

A SURPRISINGLY strong rally developed during trading in London yesterday as UK institutional and overseas investors competed to buy gilts and blue-chip stocks.

Prices moved forward during most of the session after an uncertain start, and gilts finally gained 1/4 points. Equities were even more impressive, and the FT Industrial Ordinary Index recovered an early 2.5 point fall to close up 13.8 at a peak for the day of 871.8.

Exchange rate anxieties, the cause of the market's recent dilemma, cleared as sterling rallied against the dollar. U.S. investors gave strong backing to engineering stocks and were followed by local traders who forced Metal Box up 12p to 330p and TI 6p to 242p.

Sparkling mid-term profits from BAT Industries aided general confidence, and the company's shares finished 14p higher at 281p.

Chief price changes, Page 40; Details, Page 41; Share information service, Pages 42-43

HONG KONG

NEWS of a Sino-British agreement on the future of Hong Kong pushed prices higher towards the close of business, but traders awaited further details before committing themselves.

The Hang Seng index rose 8.87 to 993.79 after easing during the first part of the half-day session.

Apart from the scarcity of detail on the agreement, brokers said the market was in a consolidation phase after the recent strong improvement and these two factors combined to reduce trader enthusiasm for the accord.

Banks were firmer, with Hongkong Bank 5 cents up at HK\$6.55 and the Hang Seng unchanged at HK\$34.25.

Among property issues Cheung Kong added 10 cents to HK\$8.25, Hongkong Kowloon 2.5 cents to HK\$3.925 and Sun Hung Kai Properties 5 cents to HK\$6.75.

SINGAPORE

A FURTHER EROSION took place in Singapore among a broad section of stocks on a slightly increased turnover. The Straits Times industrial index fell 4.49 to 892.33.

Banks were especially weak, with UOB recording a 12-cent fall to S\$4.46 to lead the sector lower. Property stocks were also noticeably weaker as Selangor Properties fell a further 12 cents to S\$2.88.

The most active stock was again Pan Electric, which moved against the trend to rise 4 cents to S\$3.16.

SOUTH AFRICA

AN IMPROVED bullion price forced gold stocks higher during brisk trading in Johannesburg.

Heavyweight Kloof gained R1.85 to R87 while Vaal Reefs firmed R4 to R156. Mining financials followed the trend, with Anglo American up 50 cents to R21.25 and De Beers up 7 cents to R8.62.

CANADA

OIL AND GAS issues combined with gold shares to inject a measure of strength into Toronto but were insufficient to combat a broad decline elsewhere.

Weaker banks and industrial outfits most of the gains in Montreal offset.

TOKYO

Electricals dimmed by profit-takers

HEAVY electricals and international populars eased after an overnight Wall Street retreat to drive the Nikkei-Dow market average slightly lower in Tokyo yesterday, writes Shigeo Nishiwaki of Jiji Press.

The leading market barometer closed 8.85 down at 10,552.30 after small fluctuations. Trading at 265m shares remained slow, although up from the previous day's 237m. Declines led advances 398 to 272, with 209 issues unchanged.

Profit-taking hit heavy electricals, which led last week's market rally. Toshiba shed Y9 to Y463, Hitachi Y11 to Y858 and Mitsubishi Electric Y6 to Y429.

According to Nikko Securities, foreign sales of Toshiba yesterday and Tuesday amounted to 13m shares, exceeding net purchases of 12m shares by non-residents for the whole of August.

International populars also dipped on light selling, with Honda Motor dropping Y20 to Y1,270 and TDK Y40 to Y3,510.

By contrast, high-priced issues advanced on speculative purchases. Kyocera advanced Y180 to Y8,910 on the strength of its brisk business results.

Japan Air Lines scored a maximum allowable daily gain of Y500 at one point, on speculation of its transfer to private management, reinforced by a strong business performance. But it slackened later on profit-taking, closing at Y5,120, up Y410.

Arabian Oil posted a maximum allowable rise of Y500 to Y5,400, on talks of offshore oil development in China.

Securities companies plan to promote blue chips' popularity to boost the market in the new business year starting in October, but general investors seem reluctant to buy, in view of persistent net sales by non-residents.

General investors sought high-priced issues to take short-term profits amid the fading popularity of biotechnology and other incentive-backed issues.

The yen's rise against the U.S. dollar led to a slight bond market rally, but institutional investors remained on the sidelines awaiting the end of the accounting year and the announcement of U.S. gross national product for July-September, scheduled for today. Exceptions were some financial institutions, trading bonds in lots of Y500m to Y1bn each.

The yield on the barometer 7.5 per cent government bond, maturing in January 1993, declined slightly to 7.130 per cent from 7.145 per cent.

Table with multiple sections: KEY MARKET MONITORS (Tokyo New Stock Exchange, Dow Jones Industrial Average, FT Industrial Ordinary Index), STOCK MARKET INDICES (New York, London, Tokyo, Australia, Austria, Belgium, Canada, Denmark, France, West Germany, Hong Kong, Italy, Netherlands, Norway, Singapore, South Africa, Spain, Sweden, Switzerland, World), CURRENCIES (U.S. Dollar, Sterling, Euro-currencies), INTEREST RATES (Euro-currencies, U.S. Fed Funds, U.S. 3-month T-bills), U.S. BONDS (Treasury, Corporate, AT & T), FINANCIAL FUTURES (Chicago U.S. Treasury Bonds, U.S. Treasury Bills, Certificates of Deposit), COMMODITIES (Silver, Copper, Coffee, Oil).

Advertisement for Morgan Guaranty Trust Company of New York. Features: U.S. \$150,000,000, 12% Deposit Notes Due October 10, 1989. Lists participating banks: Credit Suisse First Boston Limited, Deutsche Bank Aktiengesellschaft, Morgan Guaranty Ltd, Morgan Stanley International, Salomon Brothers International Limited, Swiss Bank Corporation International Limited, Union Bank of Switzerland (Securities) Limited.

Advertisement for CREDIT FONCIER de FRANCE. Features: U.S. \$60,000,000 Guaranteed Floating Rate Notes due 1990. Issued on 17th September 1984, U.S. \$95.94. Lists participating banks: Tokyo Pacific Holdings (Seaboard) N.V., Pierson, Heiding & Pierson N.V., Herengracht 214, 1016 BS Amsterdam.

Handwritten Arabic text: "مركز ابحاث"

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

Table of American stock exchange closing prices, organized by stock symbol and company name. Includes columns for 12-month high/low, current price, and change.

Continued on Page 40

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Table of New York Stock Exchange closing prices, organized by stock symbol and company name. Includes columns for 12-month high/low, current price, and change.

WORLD VALUE OF THE DOLLAR every Friday in the Financial Times

Notes explaining the data in the tables, including definitions of high/low prices and dividend information.

WORLD STOCK MARKETS

AUSTRIA

Table of Austrian stock prices including Creditanstalt, Gossert, Interbank, etc.

GERMANY

Table of German stock prices including AEG Telefunken, Allianz, Bayer, etc.

NORWAY

Table of Norwegian stock prices including Bergen's Bank, Borjorv, etc.

AUSTRALIA (continued)

Table of Australian stock prices including Gen Prop Trust, Hardey James, etc.

JAPAN (continued)

Table of Japanese stock prices including NHI, Nippon Denso, etc.

OVER-THE-COUNTER Nasdaq national market closing prices

Large table of over-the-counter stock prices with columns for Stock, Sales, High, Low, Last, and Change.

LONDON

Table of London stock prices including Chief price changes, BISES, and various company shares.

BELGIUM/LUXEMBOURG

Table of Belgian/Luxembourg stock prices including ARBED, Banque de Luxembourg, etc.

DENMARK

Table of Danish stock prices including Aarhus Obo, Amtebsen, etc.

ITALY

Table of Italian stock prices including Banca Commerciale, Eni, etc.

NETHERLANDS

Table of Dutch stock prices including ACP Holding, AKZO, etc.

FRANCE

Table of French stock prices including EMPREX, GDF, etc.

HONG KONG

Table of Hong Kong stock prices including Bank East Asia, etc.

SWITZERLAND

Table of Swiss stock prices including Alusuisse, etc.

SINGAPORE

Table of Singapore stock prices including Bourstad Hedges, etc.

JAPAN (continued)

Table of Japanese stock prices including Dai Nippon Ptg, etc.

SOUTH AFRICA

Table of South African stock prices including Abertom, etc.

NETHERLANDS (continued)

Table of Dutch stock prices including ACP Holding, etc.

FRANCE (continued)

Table of French stock prices including EMPREX, etc.

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NETHERLANDS (continued)

Table of Dutch stock prices including ACP Holding, etc.

FRANCE (continued)

Table of French stock prices including EMPREX, etc.

CANADA

Table of Canadian stock prices including Toronto, etc.

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CANADA (continued)

Table of Canadian stock prices including Toronto, etc.

AMERICAN STOCK EXCHANGE CLOSING PRICES

Large table of American stock exchange closing prices with columns for 12 Month, High, Low, Last, and Change.

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LONDON STOCK EXCHANGE

MARKET REPORT

RECENT ISSUES

Market scene transformed by rush of domestic institutional and overseas demand

Account Dealing Dates
Option
*First Declara- Last Account
Dealings Dealing Day
Sept 15 Sept 14 Sept 14

In a surprising turn of events after Tuesday's depressing session on the London Stock Exchange, UK institutional operators competed with overseas investors to buy Government bonds and blue chip industrial shares.

FINANCIAL TIMES STOCK INDICES

Table with columns: Index, Sept 19, Sept 18, Sept 17, Sept 16, Sept 15, Sept 14, Year Ago. Rows include Government Secs, Fixed Interest, Industrial, Gold Mines, etc.

HIGHS AND LOWS S.E. ACTIVITY

Table with columns: Index, High, Low, Since Completion, Daily, S.E. Activity. Rows include Govt. Secs, Fixed Int., Ind. Ord., Gold Mines.

throughout the morning. In the afternoon, business was at a much reduced level and the best levels were not always held. Most issues, however, closed with good gains on balance.

encouraged buying of Hong Kong stocks. China Light put on 5 to 133p and Hutchison Whampoa 4 to 129p.

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EQUITIES

Table with columns: Issue, Price, High, Low, Stock, etc. Lists various equity issues and their performance.

FIXED INTEREST STOCKS

Table with columns: Issue, Price, High, Low, Stock, etc. Lists fixed interest stock issues.

"RIGHTS" OFFERS

Table with columns: Issue, Price, High, Low, Stock, etc. Lists rights offers for various companies.

OPTIONS

Table with columns: First Deal, Last Deal, For Declara- tion, etc. Lists options data.

ACTIVE STOCKS

Table with columns: Above average activity was noted in the following stocks yesterday. Lists active stocks.

TUESDAY'S ACTIVE STOCKS

Table with columns: Rise, Fall, Same, etc. Lists Tuesday's active stocks.

RISES AND FALLS YESTERDAY

Table with columns: British Funds, Foreign Bonds, etc. Lists rises and falls from yesterday.

LONDON TRADED OPTIONS

Table with columns: Option, Calls, Puts, etc. Lists London traded options.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Table with columns: EQUITY GROUPS & SUB-SECTIONS, Wed Sept 19 1984, etc. Lists FT-Actuaries Share Indices.

FIXED INTEREST

Table with columns: PRICE INDICES, Wed Sept 19, etc. Lists fixed interest data.

English rose 3 to 85p on the disclosure that discretionary clients of Warburg account for around 15 per cent of the equity; the interim figures are due next Tuesday.

Leading Electricals put on a fine performance. GEC attracted buyers at 222p, up 8, while Plessey, helped by a broker's comment on the company's long-term outlook, improved further to 220p.

Leading Foods met with selective demand. Tate and Lyle stood out with a gain of 12 at 285p, while United Biscuits formed 5 to 152p.

Aggressive buying, originating initially from the U.S., left TI 5 to 142p, while British Airways led the market short of stock.

Market rumours of an oil discovery off the coast of China gave a major boost to BP which advanced 13 to 513p.

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BP advance

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NEW HIGHS AND LOWS FOR 1984

Table with columns: NEW HIGHS (106), NEW LOWS (106). Lists new highs and lows for 1984.

EUROPEAN OPTIONS EXCHANGE

Table with columns: Series, Vol., Last, etc. Lists European options exchange data.

MARKS & SPAIN

Table with columns: Option, Nov, Dec, etc. Lists Marks & Spain data.

TOTAL VOLUME IN CONTRACTS: 25,192. A.A.A. 8-Bid C-Call P-Put

Sept. 19, Total Contracts: 6,039 Calls, 4,482 Puts, 1,557 Uncertainty Contracts.

*Financial Times Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 25p.

Handwritten text at the top center of the page, possibly a date or page number.

Financial Times Thursday September 20 1984

INDUSTRIALS—Continued

Table of industrial stock prices including companies like British Airways, British Petroleum, and British Telecom.

LEISURE—Continued

Table of leisure stock prices including companies like British Airways, British Petroleum, and British Telecom.

PROPERTY—Continued

Table of property stock prices including companies like British Airways, British Petroleum, and British Telecom.

INVESTMENT TRUSTS—Cont.

Table of investment trust stock prices including companies like British Airways, British Petroleum, and British Telecom.

OIL AND GAS—Continued

Table of oil and gas stock prices including companies like British Airways, British Petroleum, and British Telecom.

SANYO INTERNATIONAL LTD. advertisement with contact information for London and Tokyo.

MINES—Continued

Table of mining stock prices including companies like British Airways, British Petroleum, and British Telecom.

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Table of motor and cycle stock prices.

Commercial Vehicles

Table of commercial vehicle stock prices.

Components

Table of component stock prices.

Garages and Distributors

Table of garage and distributor stock prices.

SHIPPING

Shipping

Table of shipping stock prices.

SHOES AND LEATHER

Shoes and Leather

Table of shoes and leather stock prices.

SOUTH AFRICANS

South Africans

Table of South African stock prices.

TEXTILES

Textiles

Table of textile stock prices.

TOBACCO

Tobacco

Table of tobacco stock prices.

OVERSEAS TRADERS

Overseas Traders

Table of overseas trader stock prices.

PLANTATIONS

Plantations

Table of plantation stock prices.

FINANCE, LAND, ETC

Finance, Land, etc

Table of finance, land, etc stock prices.

NOTES

Notes section containing financial information and company announcements.

REGIONAL & IRISH STOCKS

Regional and Irish stocks section with company names and prices.

OPTIONS—3-month call rates

Table of 3-month call rates for various options.

DIAMOND AND PLATINUM

Table of diamond and platinum prices.

RECENT ISSUES AND RIGHTS

Recent issues and rights section with company names and prices.

INSURANCES

Table of insurance stock prices.

PROPERTY

Table of property stock prices.

INVESTMENT TRUSTS

Table of investment trust stock prices.

FINANCE, LAND, ETC

Table of finance, land, etc stock prices.

OIL AND GAS

Table of oil and gas stock prices.

INDUSTRIALS

Table of industrial stock prices.

LEISURE

Table of leisure stock prices.

PROPERTY

Table of property stock prices.

INVESTMENT TRUSTS

Table of investment trust stock prices.

OIL AND GAS

Table of oil and gas stock prices.

INDUSTRIALS

Table of industrial stock prices.

INDUSTRIALS

Table of industrial stock prices.

Handwritten text at the top center of the page, possibly a signature or date.

INSURANCE, OVERSEAS & MONEY FUNDS

Table listing various insurance and financial services, including Liberty Life Assurance Co Ltd, National Provident Institution, and others, with columns for company name, address, and contact information.

Table listing various insurance and financial services, including Target Life Assurance Co Ltd, C&I Investments (IHM) Ltd, and others, with columns for company name, address, and contact information.

Table listing various insurance and financial services, including Grandway Henderson Mgt Ltd, D&I Investments (Bermuda) Ltd, and others, with columns for company name, address, and contact information.

Table listing various insurance and financial services, including Sunlight Management Limited, Sunlight (Jersey) Ltd, and others, with columns for company name, address, and contact information.

OFFSHORE AND OVERSEAS

Table listing various offshore and overseas financial services, including Archon Investment Fund SA, A&I Investments, and others, with columns for company name, address, and contact information.

Money Market

Table listing Money Market Trust Funds, including National Ltd, The Money Market Trust, and others.

Money Market Bank Accounts

Table listing Money Market Bank Accounts, including Arden House, National Ltd, and others, with columns for company name, address, and contact information.

NOTES

Notes section providing additional information and disclaimers regarding the financial data presented in the tables.

COMMODITIES AND AGRICULTURE

Crude oil stocks decline in U.S.

BY NANCY DUNNE IN WASHINGTON
U.S. CRUDE oil stocks fell last week to about 338m barrels, just below the 340m-360m level maintained in the past few years, according to the American Petroleum Institute.

Zinc values fall sharply

BY JOHN EDWARDS, COMMODITIES EDITOR
ZINC VALUES fell sharply on the London Metal Exchange yesterday following news of plentiful offers at competitive prices at the U.S. mint buying tender seeking up to 33m lbs of special high grade zinc.

French miss wheat export licences deadline

FRENCH EXPORTERS have withdrawn their requests for licences to export soft wheat which was mostly destined for the Soviet Union, a French Cereals Intervention Board official told Reuters.

Reagan announces package to help U.S. farmers

BY NANCY DUNNE IN WASHINGTON
PRESIDENT REAGAN has made his obligatory offering to farmers in the form of a campaign trip to Iowa and Michigan.

Roger Butler puts the case for a change in the taxation system
Ghost that haunts the futures markets

A GHOST from the past still haunts the tax treatment of private UK investors in futures markets. The active market participant, for example a trader in the case of commodity futures, a bank in the case of financial futures, or a broker in either, does not have a problem. Realised profits from dealings form part and parcel of trading profits and are assessed accordingly.

Butter price pact sought by New Zealand

NEW ZEALAND is seeking a price understanding with the EEC in order to bring greater stability to the international butter market. The special concern of New Zealand is the EEC scheme to mount a sales campaign for about 150,000 tonnes of butter a year in the Soviet and Middle East markets at subsidised prices.

PRICE CHANGES

Table with columns for various commodities like Metals, Oil, and Grains, showing price changes in different units.

BRITISH COMMODITY PRICES

Table listing prices for various commodities such as Base Metals, Copper, Tin, Lead, Zinc, and Wheat.

AMERICAN MARKETS

Table showing prices for commodities in the American market, including Metals, Oil, and Grains.

CHICAGO

Table listing prices for commodities in Chicago, including Live Cattle, Live Hogs, and Pork Bellies.

LONDON OIL SPOT PRICES

Table showing spot prices for various oil grades in London, including Arab Light, Brent, and WTI.

GOLD MARKETS

Table showing gold prices in London and Frankfurt, including 12 1/2 kilo bars and 1000 ounce bars.

LONDON FUTURES

Table showing futures prices for various commodities in London, including Gold Bullion, Copper, and Tin.

EUROPEAN MARKETS

Table showing prices for various commodities in European markets, including Wheat, Sugar, and Coffee.

BASE METALS

Table showing prices for base metals like Aluminum, Zinc, and Lead.

COPPER

Table showing copper prices in London and New York.

TIN

Table showing tin prices in London and New York.

LEAD

Table showing lead prices in London and New York.

SILVER

Table showing silver prices in London and New York.

POTATOES

Table showing potato prices in London and New York.

COFFEE

Table showing coffee prices in London and New York.

SOYABEAN MEAL

Table showing soyabean meal prices in London and New York.

INDICES

Table showing various financial and commodity indices.

REUTERS

Table showing prices for various commodities as reported by Reuters.

MEAT/FISH

Table showing prices for meat and fish commodities.

SUGAR

Table showing sugar prices in London and New York.

COTTON

Table showing cotton prices in London and New York.

CURRENCIES, MONEY and CAPITAL MARKETS

Company Notices

MESSINA LIMITED

ANNOUNCEMENT TO SHAREHOLDERS

Messina Limited (Messine) announces that negotiations have reached an advanced stage which, if concluded, will result in the sale to Zimbabwe Mining Development Corporation of all Messina's mining interests in Zimbabwe...

Legal Notices

DELUXE TRAVELS (LONDON) LIMITED (IN VOLUNTARY LIQUIDATION)

NOTICE IS HEREBY GIVEN, pursuant to section 299 of the Companies Act 1948 that a General Meeting of the Members of the above-named Company will be held at the Offices of Messrs G. & C. Charters, Accountants, 425, Alexander Avenue, Harrow, Middlesex, HA2 3SE, on Wednesday 20 September 1984 at 11.00 a.m. to be followed at 11.15 a.m. by a General Meeting of the Creditors for the purpose of receiving an account of the Liquidator's acts and dealings and of the conduct of the Winding-up to date.

CAREER FUTURES COMMUNITYLIFE RECRUITMENT Jonathan Wren Please contact: Michael Hutchings 01 623 1266

WestLB Eurobonds • DM Bonds • Schuldscheine for dealing prices call

Düsseldorf Westdeutsche Landesbank, Head Office, P.O. Box 1128, 4000 Düsseldorf 1 International Bond Trading and Placement: Telephone 9 20 31 2, 3 20 37 41 Telex 5 581 881/8 581 882

WestLB Westdeutsche Landesbank, 41, Moorgate, London EC2R 6AE, UK Telephone 033 9141 • Telex 887 584

WestLB Westdeutsche Landesbank, BA Tower, 38th Floor, 12 Harbour Road, Hong Kong, Telephone 5-0420 288 • Telex 75142 HK

Marketmakers in Deutschmark Bonds WestLB Westdeutsche Landesbank

Eurodollars firm

Euro-dollar prices were firmer in the London International Financial Futures Exchange yesterday, helped by gains in New York credit markets. This followed post-purchase of the latest U.S. Treasury offering pending approval of a rise in the debt ceiling. Values were also helped by an unexpected 12.8 per cent fall in U.S. housing starts in August from 1.766 million in July. Market expectations had been nearer 1.7m.

LONDON

Table with columns: Date, Close, High, Low, Prev. Rows include Dec, March, June, Sept for various Eurodollar rates.

CHICAGO

Table with columns: Date, Close, High, Low, Prev. Rows include Dec, March, June, Sept for various Eurodollar rates.

STERLING £25,000 3 per £

Table with columns: Date, Close, High, Low, Prev. Rows include Dec, March, June, Sept for Sterling rates.

DEUTSCHE MARKS DM 125,000 3 per DM

Table with columns: Date, Close, High, Low, Prev. Rows include Dec, March, June, Sept for Deutsche Mark rates.

SWISS FRANC SFR 125,000 3 per SFR

Table with columns: Date, Close, High, Low, Prev. Rows include Dec, March, June, Sept for Swiss Franc rates.

JAPANESE YEN ¥12,500 3 per ¥100

Table with columns: Date, Close, High, Low, Prev. Rows include Dec, March, June, Sept for Japanese Yen rates.

FT-SE 100 INDEX

Table with columns: Date, Close, High, Low, Prev. Rows include Dec, March, June, Sept for FT-SE 100 index.

PREVIOUS DAY'S OPEN

Table with columns: Date, Close, High, Low, Prev. Rows include Dec, March, June, Sept for previous day's open.

U.S. interest rates also prompted a more cautious approach. Sterling recovered 10 DM 3.8200 from DM 3.7890 while the French franc eased to DM 32.615. The yen rose to DM 1.2585 from ¥100 from DM 1.2580 continuing Tuesday's fall by the Deutsche Mark to below ¥80 for the first time ever.

DEUTSCHE MARK - Trade range against the dollar in 1984 is 3.8200 to 3.7890 against average 3.8230. Trade weighted index 120.2 against 127.1 six months ago.

The dollar eased DM 3.0650 at yesterday's fixed in Frankfurt down from an opening level of DM 3.1000 and Tuesday's fixing of DM 3.0980. The Bundesbank sold \$7.1m but was not seen outside the fixing. There was one of the recent strong demand for dollars as people took profits and awaited the outcome of important U.S. economic data due out this week. Indications of a softer tone in

Recent stability of the Belgian franc within the EMS allowed the Belgian central bank to increase its holdings of foreign currency, according to figures released yesterday. These showed that to the week ending September 17, the authorities bought the equivalent of BFR 13.6bn which were used to replenish holdings of European Currency Units.

in New York (latest)

Table with columns: Spot, 1 month, 3 months, 6 months, 12 months. Rows include various interest rates.

Forward premiums and discounts apply to the U.S. dollar.

CURRENCY MOVEMENTS

Table with columns: Date, Bank of England, Morgan Guaranty, etc. Rows include various currency movements.

CURRENCY RATES

Table with columns: Date, Bank of England, Morgan Guaranty, etc. Rows include various currency rates.

THE DOLLAR SPOT AND FORWARD

Table with columns: Date, Spot, Forward, etc. Rows include various dollar spot and forward rates.

THE POUND SPOT AND FORWARD

Table with columns: Date, Spot, Forward, etc. Rows include various pound spot and forward rates.

EXCHANGE CROSS RATES

Table with columns: Date, Pound Sterling, U.S. Dollar, etc. Rows include various exchange cross rates.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Table with columns: Date, Sterling, U.S. Dollar, etc. Rows include various Euro-currency interest rates.

MONEY MARKETS

Pressure eases as sterling recovers

Interest rates were a little easier in London yesterday, following sterling's overall recovery. The latter was due almost entirely to a reluctance to push the dollar any further however, ahead of today's third quarter U.S. GNP flash estimate. Should this show an increase anything above expectations then the market's ability to divorce domestic considerations from external pressures could be severely tested.

MONEY RATES

Table with columns: Date, Frankfurt, Paris, Zurich, etc. Rows include various money rates.

LONDON MONEY RATES

Table with columns: Date, Starting, Interbank, Local Authority, etc. Rows include various London money rates.

Discount Houses Deposit and Bill Rates

Table with columns: Date, Starting, Interbank, Local Authority, etc. Rows include various discount houses deposit and bill rates.

MONEY RATES

Table with columns: Date, Starting, Interbank, Local Authority, etc. Rows include various money rates.

NEW YORK (Lunchtime)

Table with columns: Date, Starting, Interbank, Local Authority, etc. Rows include various New York money rates.

ECG Fund Rate Export Finance Scheme IV: Average Rate of Interest period August 6 to September 4 1984 (inclusive): 10.00 per cent. Local authorities and finance houses seven days' notice; others seven days' notice. Finance Houses Base Rate (published by the Finance Houses Association): 11% per cent from September 1 1984. London and Scottish Clearing Bank Rate for lending 10% per cent. London Deposit Rate: rate as seven days' notice 7.75 per cent. Treasury Bills: Average tender rate at discount 2.864 per cent. Certificate of Deposit (Series G): Deposit £100,000 and over held under one month 11 per cent; one to three months 11 per cent; three to six months 11 per cent; six to nine months 11 per cent; nine to 12 months 11 per cent. Under £100,000 10% per cent. From September 12: Deposits held under Series G 10% per cent. The rates for all deposits withdrawn for cash 7 per cent.

Dollar awaits GNP figures

The dollar showed mixed changes in currency markets yesterday as the market braced itself for the release today of the U.S. third quarter GNP flash estimate. Seen as one of the few U.S. statistics with sufficient charisma at the moment to influence market sentiment, today's figure will be doubly important so it comes at a time when the dollar is searching for renewed momentum to push it still higher.

Against this background movements yesterday were hard to follow and impossible to predict. The dollar retained a good percentage of its underlying strength, almost casually registering record closing levels against the French franc and Italian lira. A bigger than expected fall in U.S. housing starts in August did affect the dollar but there was unlikely to be many short dollar positions ahead of today's figure.

The dollar improved against the Deutsche Mark to DM 3.0985 from DM 3.0915, having strived with DM 3.10 to reach a high of DM 3.1070 but failing to hold above DM 3.10. It was weaker against the Swiss franc at Sfr 2.5240 from Sfr 2.5410 and ¥245.80 against ¥100 from ¥246.15. Its rise was 0.2%.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, Unit, etc. Rows include various EMS European Currency Unit rates.

Changes are for Ecu, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

OTHER CURRENCIES

Table with columns: Date, Close, etc. Rows include various other currency rates.

CURRENCY MOVEMENTS

Table with columns: Date, Bank of England, Morgan Guaranty, etc. Rows include various currency movements.

CURRENCY RATES

Table with columns: Date, Bank of England, Morgan Guaranty, etc. Rows include various currency rates.

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Table with columns: Date, Spot, Forward, etc. Rows include various dollar spot and forward rates.

THE POUND SPOT AND FORWARD

Table with columns: Date, Spot, Forward, etc. Rows include various pound spot and forward rates.

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MONEY RATES

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LONDON MONEY RATES

Table with columns: Date, Starting, Interbank, Local Authority, etc. Rows include various London money rates.

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FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for September 18

ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA
ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA
Alitalia 11/14/84	100	100	100	100	100	100	100	100	100
Alitalia 11/14/84	100	100	100	100	100	100	100	100	100
Alitalia 11/14/84	100	100	100	100	100	100	100	100	100
Alitalia 11/14/84	100	100	100	100	100	100	100	100	100
Alitalia 11/14/84	100	100	100	100	100	100	100	100	100

ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA
ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA	ISDA
Alitalia 11/14/84	100	100	100	100	100	100	100	100	100
Alitalia 11/14/84	100	100	100	100	100	100	100	100	100
Alitalia 11/14/84	100	100	100	100	100	100	100	100	100
Alitalia 11/14/84	100	100	100	100	100	100	100	100	100
Alitalia 11/14/84	100	100	100	100	100	100	100	100	100

CAPITAL MARKETS

\$225m note deal by Credit Lyonnais

BY MAGGIE URRY

CREDIT LYONNAIS provided a bright spot in a dull Eurodollar bond market yesterday, launching a \$225m 12-year floating rate note deal. Lead manager by the bank itself, the deal was thought to be sensibly priced and traded comfortably inside its total front-end fees of 0.35 per cent, at a discount of around 0.24 per cent.

A lack of FRN issues for the last few days has allowed an appetite to develop, and the terms of the Credit Lyonnais issue - a 1/4 per cent spread over six-month London interbank offered rate and a put option after nine years - were attractive. Co-lead managers are Credit Suisse, First Boston, Commerzbank, Merrill Lynch, Morgan Stanley and Seligman Brothers.

Floated-rate Eurodollar issues were sluggish yesterday with dealers reporting some selling from investors who chose to take currency profits at the high level of the dollar. Recent new issues are moving slowly and prices picked up by 1/4 to 1 point.

S. G. Warburg set the terms on the £100m bulldog for the European Investment Bank. Taking a market price at 3pm yesterday of 122 for the reference stock Treasury 13 1/4 per cent 2004-08, the bulldog was priced to give a yield of 11.665 per cent - 85 basis points above the yield on the gilt. The coupon was set at 10 1/2 per cent, to give an issue price of 90.32 - as close as possible to the 90 level. Applications for the stock, which are being handled by the Bank of England, close today and dealings are expected to start tomorrow.

In the D-Mark Eurobond market, DG Bank's DM 200m private placement for the World Bank was trading well. The terms were set at a par issue price and a 7 1/4 per cent coupon on the six-year bond. Prices of seasoned D-Mark bonds were steady in quiet trading.

The dollar's strength is still unsettling the Swiss franc market, where prices dipped by around 1/2 point.

The guilders market has been improving and Algemene Bank Nederland was able to reduce the coupon on its F1 100m bond for the African Development Bank from 9 1/4 per cent to 9 per cent. The issue price was priced to give a yield of 11.665 per cent.

OVER-THE-COUNTER

Stock	Sales (Mtd)	High	Low	Last	Chng
ProCo	7	7 1/4	7 1/4	7 1/4	+
ProCo	1	7 1/4	7 1/4	7 1/4	+
ProCo	1	7 1/4	7 1/4	7 1/4	+
ProCo	1	7 1/4	7 1/4	7 1/4	+
ProCo	1	7 1/4	7 1/4	7 1/4	+

Stock	Sales (Mtd)	High	Low	Last	Chng
ProCo	7	7 1/4	7 1/4	7 1/4	+
ProCo	1	7 1/4	7 1/4	7 1/4	+
ProCo	1	7 1/4	7 1/4	7 1/4	+
ProCo	1	7 1/4	7 1/4	7 1/4	+
ProCo	1	7 1/4	7 1/4	7 1/4	+

Soviet foreign trade bank raises DM 500m

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

THE RECENT spate of international borrowing by the Soviet Union continued yesterday with a DM 500m credit led by Commerzbank for Vneshebank, the country's foreign trade bank.

The loan has been put together by a small club of international banks and bears a margin of 1/4 per cent over Euro D-Mark rates for the first four years, rising to 3/4 per cent for the next three.

Bankers said it was assembled in less than a month, and although U.S. banks declined to join the deal, lenders include Arab and Japanese institutions as well as European banks.

The Soviet Union has returned to the international capital markets in a fairly determined way this year after three years' absence.

After three deals denominated in U.S. dollars, it now appears to be turning its attention to currency diversification. Last week Washington Bank launched an Ecu 75m credit. Bankers say this reflects less an urgent need for more money than a desire to take advantage of favourable market conditions to refinance maturing debt.

Certainly the Soviet Union, which had a DM 1.35bn (\$43m) surplus in its trade with West Germany in the first half of this year, has no other pressing reason for raising a D-Mark credit at the moment.

Currency Dealing with Sweden



Rapid action or deep water?

Foreign exchange is a fast-moving and potentially hazardous business - and the expanding currency markets of Sweden and Scandinavia are no exception.

Success depends on a combination of quick-thinking and fast action - precisely the qualities which SwedBank offers its clients.

With assets of more than US \$12 billion, SwedBank is the fourth largest banking group in Sweden, with access to more than a third of that country's total deposits. Our expertise and experience of Nordic currencies - especially Swedish Kroner - enables us to provide an extremely competitive, streamlined dealing service with the emphasis throughout on individual attention and personal service.

Most important of all, we've developed the technological resources and have the experience needed, to provide our customers with an excellent service.

It's a very different attitude - but then again SwedBank is a very different bank. But don't take our word for it - call or write today and allow us to prove it on 08-23 07 90, or telex 17730 SWEDFOX S.



SwedBank - an excellent name for International Banking.

Head Office: S-105 34 Stockholm, Sweden. Telephone: 08-23 23 20 Telex: 12826 SWEDBNK S.
Representative Offices: The Old Deacons' House, Court, London EC4V 5AA. Telephone: 07-236 4060.
Pereulok Sadovskiy 4, Apt. 2, 103001 Moscow. Telephone: 209 6838.
Affiliated Banks: Fennoscandia Limited, London. Banque NordEurope SA, Luxembourg.

Indices

NEW YORK (LOW ADJ)

Index	Sept 18	Sept 17	Sept 14	Sept 13	Sept 12	1984 High	1984 Low	1984 High	1984 Low
Dow Jones	1213.1	1228.2	1227.8	1227.2	1228.2	1286.6	1086.5	1287.7	41.22
S&P 500	321.26	321.37	325.02	325.45	325.45	332.1	212.83	325.02	12.32
Nasdaq	134.59	133.18	132.75	132.80	131.00	133.25	104.85	132.25	10.5

STANDARD AND POORS

Index	Sept 18	Sept 17	Sept 14	Sept 13	Sept 12	1984 High	1984 Low	1984 High	1984 Low
Dow Jones	108.58	108.58	108.24	108.15	108.24	108.24	107.26	108.24	0.32
S&P 500	108.54	108.54	108.57	108.71	108.54	108.54	107.26	108.54	0.40

INDICES AND FALLS

Index	Sept 18	Sept 17	Sept 14	Sept 13	Sept 12	1984 High	1984 Low	1984 High	1984 Low
Dow Jones	96.21	96.56	97.12	97.85	97.71	105.12	81.00	105.12	1.88
S&P 500	96.21	96.56	97.12	97.85	97.71	105.12	81.00	105.12	1.88

TORONTO

Index	Sept 18	Sept 17	Sept 14	Sept 13	Sept 12	1984 High	1984 Low
Dow Jones	108.58	108.58	108.24	108.15	108.24	108.24	107.26

NEW YORK ACTIVE STOCKS

Stock	Price	Change	Volume
IBM	221.70	+0.25	1,200,000
AT&T	22.00	+0.10	500,000
GE	28.00	+0.15	300,000
West	11.00	+0.05	200,000